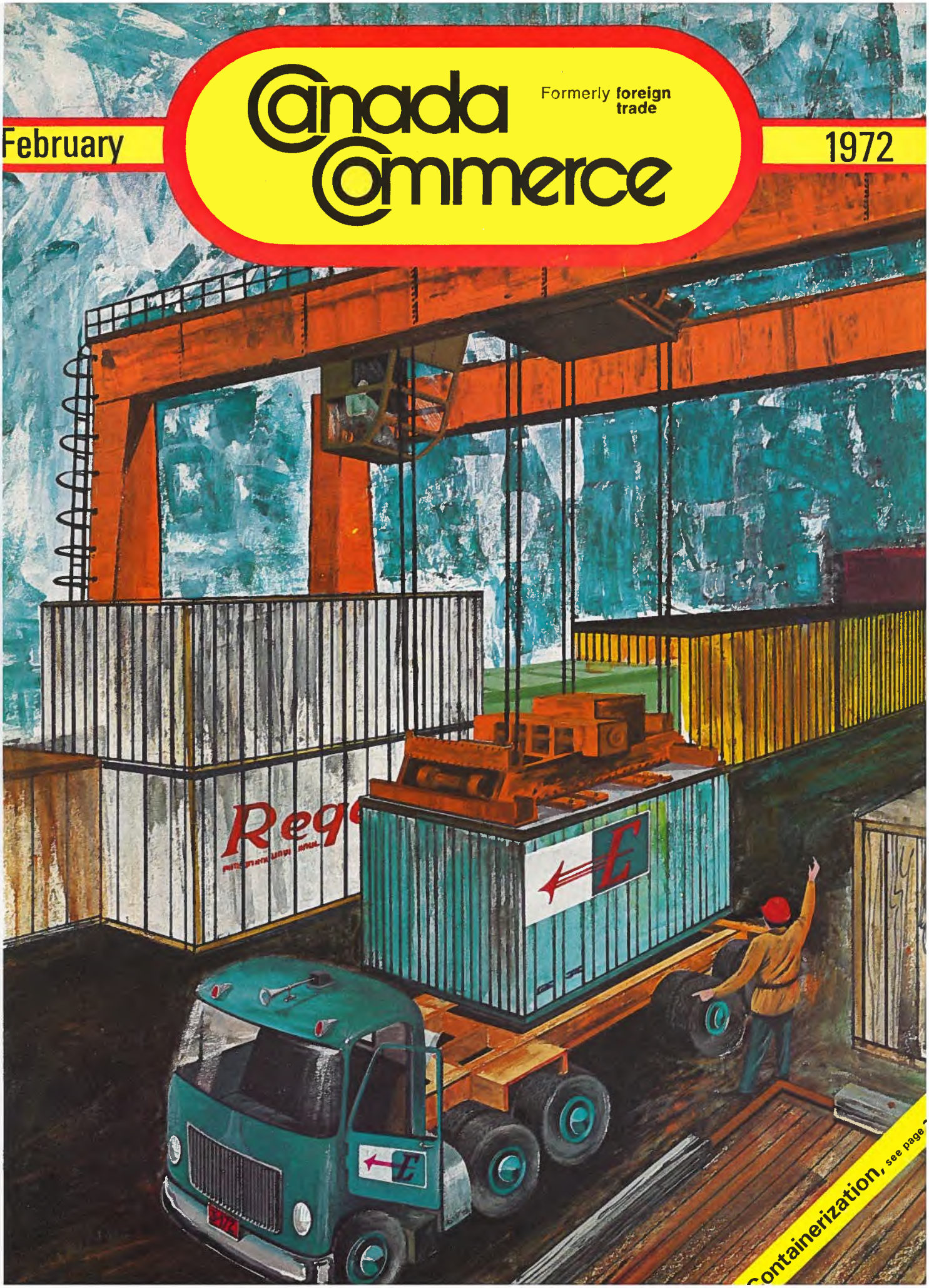
Canada Commerce

Formerly **foreign trade**

February 1972



Containerization, see page

The Furniture Industry Plans for the Future

For several years the Department of Industry, Trade and Commerce has been working with manufacturers and with provincial Departments of Trade and Industry on the problems that the furniture industry faces and how to develop solutions. The result has been appreciable progress—a progress reflected in the continuing rise in exports to the United States market.

The Canadian furniture industry today consists of about 2,300 firms, though 20 per cent of these account for 80 per cent of a production that has now reached $700 million a year. About 40 per cent of the furniture plants are located in Quebec, 45 per cent in Ontario, and the remainder in Manitoba and British Columbia, and altogether they employ 45,000 workers.

The drive for greater efficiency and larger markets, as it was worked out, covered three areas: improvements in production, more modern designs, and effective marketing. Each of these received attention.

The move towards more efficient production began with a study, commissioned by the Department and carried out by consultants, on the best possible layout for a furniture factory —a layout that would produce a quality product and at the same time keep costs low and permit a higher profit. The plan was to be flexible enough to make plant expansion possible when the need arose. This study, "The Optimum Furniture Plant of the Future," when completed, was discussed by senior management in the industry at seminars which the Department organized at Victoriaville, Quebec, and Kitchener, Ontario.

At the same time, a Montreal firm of financial consultants, Ernst & Ernst, was commissioned by the Department to study the United States market for Canadian furniture. This involved a close examination of 14 United States marketing areas in terms of acceptable designs, quality, promotion, etc., plus a marketing plan for the industry to follow. This study too was discussed at seminars, one held in Kitchener and one in Montreal.

The various incentive programs offered by the Department to speed technological progress and improve product design are proving helpful to the furniture manufacturers. One of these is the Industrial Design Assistance Program, which pays up to 50 per cent of the cost of hiring a professional designer. Eight furniture firms have already applied for and received grants under this IDAP program. Others have been helped by GAAP (General Adjustment Assistance Program) and IRDIA (Industrial Research and Development Incentives Act).

Exposure of the product to United States furniture buyers and United States consumers is vital to the furniture marketing program. One effective way of doing this is to put on displays at the various Canadian Consulates in the United States and to invite influential buyers to see them. For example, Henri Vallières Inc. of Nicolet, Quebec, makers of medium to high quality bedroom furniture, staged a showing at the Canadian Consulate General in New York of a line designed specifically for the New York market. Buyers from 40 leading New York stores were invited to view it and placed $13,000 worth of sample orders; orders in prospect bid fair to reach half a million to one million dollars for this one line. Sometimes several firms combine to put on these Consulate showings: five of them recently organized a display in Minneapolis. In all, there were 36 furniture showings at ten Consulates in the United States in 1971. Groups of United States buyers were also brought to the Montreal Furniture Show in Montreal in August 1971 and to the Canadian Furniture Market in Toronto in January 1972.

Last May the industry put on a larger scale display at the annual meeting of the National Society of Interior Designers at Cleveland. Twelve firms from Ontario and Quebec exhibited various types of office and contract furniture and attracted attention from the architects and professional designers who made up this prestigious group. The idea was not immediate sales but impressing upon this group the types and the quality of Canadian furniture and workmanship. Industry, Trade and Commerce paid for the space and the Ontario and Quebec Governments the charges for transporting the exhibits.

In April 1972, interest will be focussed farther south—in Hickory, North Carolina, where the Southern Furniture Market week takes place. Some 20 Canadian firms will show household furniture; the fact that 80 per cent of the United States furniture buyers attend the Hickory market makes it *the* place to be. Industry, Trade and Commerce is paying both a portion of the rental for 25,000 square feet and the cost of transporting the displays to North Carolina.

And speaking of transportation, the Quebec Furniture Manufacturers Association has sponsored a study of how to achieve cheaper transportation costs, speedier deliveries, and fewer damage claims. As a result of this study, also done by Ernst & Ernst, the Association has set up a central warehouse to which Quebec furniture makers can send their shipments to be consolidated into carload lots. It reports that shipping costs are reduced by up to 30 per cent and that claims for damage have become almost negligible.

One other avenue of co-operation is being explored—the formation of an export consortium; consultants are studying how and why to form a consortium and working out guidelines. The completed study will be presented to the Department shortly.

Is all this activity paying off? The figures for exports are one answer; they have risen from $6 million in 1967 to $12 million in 1968, $24 million in 1969, and $32 million in 1970. Up to the end of July 1971, the figures were 9 per cent above those for the same period of 1970. The industry looks ahead confidently, believing that this progress can and will continue.

Canada Commerce

Vol. 136 No. 2 February 1972

In This Issue

Our lead article this month has little direct bearing on markets for Canadian exports. It does deal, nevertheless, with a subject that is of increasing importance to Canadian industrialists—how to use, ship and handle containers. Canada's reputation in the containerization field is world-wide and visitors to the exhibition to be held in Toronto this April will be able to see why. Not only will they be shown the best ways to pack and unpack containers, but they can visit container yards and, possibly the most important, be able to fire questions at the experts.

While on the subject of fairs, the middle four pages of this issue contain a list of trade fairs at which the Department of Industry, Trade and Commerce will sponsor exhibits during the coming fiscal year. We suggest you keep these pages available for future reference. If and when changes or adjustments are made in the program we will let you know through the pages of this magazine.

Our office in San Juan, Puerto Rico, in whose territory Haiti lies, reports that a number of foreign firms are setting up subsidiaries or forming joint ventures in Haiti. The report, which appears on page 16, says that, while the market there is still small, prospects are brighter than they have been in some years, particularly for investment, tourism and light industry.

Apparently there are large numbers of businessmen who, to quote our New York office, "find it quite advantageous to hold on to a supplier's funds as long as possible." This practice has resulted in about two hundred requests over the past year from Canadians, individuals and companies, for that office to do something about it. There is, in fact, little that the staff can do, but the report on page 18 tells what you can do to avoid this sort of situation. It also mentions that there is a similar file of requests from Americans to do something about delinquent Canadians.

COVER: Staff artist Al Viscount's impression of the CP portainer crane at the Quebec container terminal.

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

Richard Waugh, Managing Editor

W. H. Lambton, Editor

Address correspondence to:
Editor, "Canada Commerce", Department of Industry, Trade and Commerce, Ottawa, Ontario K1A 0H5

Subscription
Published monthly. "Canada Commerce" is sent to Canadian producers of goods or services. Others may have the magazine at $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 "Canada Commerce", Department of Industry, Trade and Commerce, Ottawa, Ontario K1A 0H5

A Fair Way to Look at Containerization

Shown here is a 40-foot container being top-lifted from ship-side at Toronto by the port's new heavy-capacity lift truck.

BOB WARD, Intex Trade and Consumer Shows Limited

Canada's booming containerization industry will show off its muscle and technical knowhow at Transporama Canada '72, the containerization and cargo-handling exhibition to be held in the Automotive Building in Toronto's Exhibition Park on April 18, 19 and 20. This is the largest building in the park complex and will provide the needed space for exhibitors to display and demonstrate the forklifts, cranes, side transfer and other big equipment employed in road, rail, sea and air transport. The exhibition is a followup to the highly successful Containerization 70. A series of seminars organized by Canports Seminars, the educational arm of the Canadian Port Committee, will be held at the same time.

The exhibition is intended to show what Canada's physical distribution industry is all about and to demonstrate some of the unique Canadian developments and innovations that have made Canada a world leader in the use of containers. Peter Hunter, container project consultant, Steadman Interpool, will co-ordinate the physical displays that are scheduled each day of the exhibition. The demonstrations will include:

Loading on-and-off rail cars, trailers, shipping docks by fork lift, side loaders, side transfer.

Special features of CN and CP inland services in both domestic and International Standards Organization intermodal traffic handling.

Use of containers for air cargo movement.

Loading to or from an open-top container.

Loading and unloading of bulk materials, indicating various types of bulk container, liners, etc.

Actual handling of products, including tilt and air unloading methods.

Loading and mechanical features of refrigerated containers showing the various types offered by the shipping companies.

Packing and unpacking a container, illustrating the features of double-decking and load equipment tie-downs or bracing, with mixed products.

Many of these physical displays will be demonstrated for the first time in Canada, with particular emphasis given to the 'nitty gritty' questions confronting the traffic manager, the shipper and others who have decision-making roles in the transport of goods and equipment. Among the equipment to be displayed are units that provide telescoping main rails that permit accommodation for intermediate container sizes. The units have a rated capacity of 70,000 pounds and are self-powered for levelling and transfer functions.

Conducted tours of cargo handling and container facilities in the Metropolitan Toronto area will be a special feature of the exhibition. These facilities are among the most modern in the world. The key link in CN's container network, the 10-acre Conport Terminal, is an integral element of CN's 100-acre Concord Yard in Toronto. The huge Concord facility is electronically monitored and can handle about 180,000 pieces of express—about five million pounds—a day. To give some indication of this expansive layout, the heated express shed on the property is 1,536 feet long, 346 feet wide and has 258 truck doors and 75 rail car doors. For ready comparison, this is larger than four football fields. A towveyor system, involving a chain 21,000 feet long, circulates continuously at 100 feet a minute.

Conport, the $2 million container and piggyback terminal, handles all CN domestic and import-export container traffic as well as piggyback services. It covers 10 acres consisting of two sets of double tracks, and three concrete pads 1,700 feet long. A 40-ton, 74-foot mobile straddler gantry crane can work two tracks at a time and handles more than 600 containers a week. One 40-ton and two 30-ton silent cranes also work on a full-time basis. An additional 83,400 square-foot facility was added a year ago, nearly doubling space designated for container traffic. The new facility was constructed because of a 280 per cent growth in container traffic between 1968 and 1970.

About 40 per cent of the containers handled each week is 'break bulk' container traffic which is unpacked for customs inspection and ultimate distribution to customers.

CP Rail's intermodal terminal in the Metro Toronto suburb of Etobicoke is becoming the distribution center for all central Ontario. The complex includes a grouping terminal and customs clearing facilities, and eight piggyback ramp tracks. Additional tracks are planned for this year.

Installation last year of a 35-ton mobile overhead crane straddling the two main tracks in the 75-acre yard, plus the addition of supplementary loading and stacking equipment, greatly increased container handling capability. Through-put increased on the average 12 per cent a month in 1971, with a total of more than 24,000 containers handled. This figure is expected to double this year.

Unit trains of containers operate directly in and out of the terminal to containerports at Quebec City and Saint John, New Brunswick. Highway delivery of containers is made from the terminal to points throughout southwestern Ontario and as far north as Sudbury.

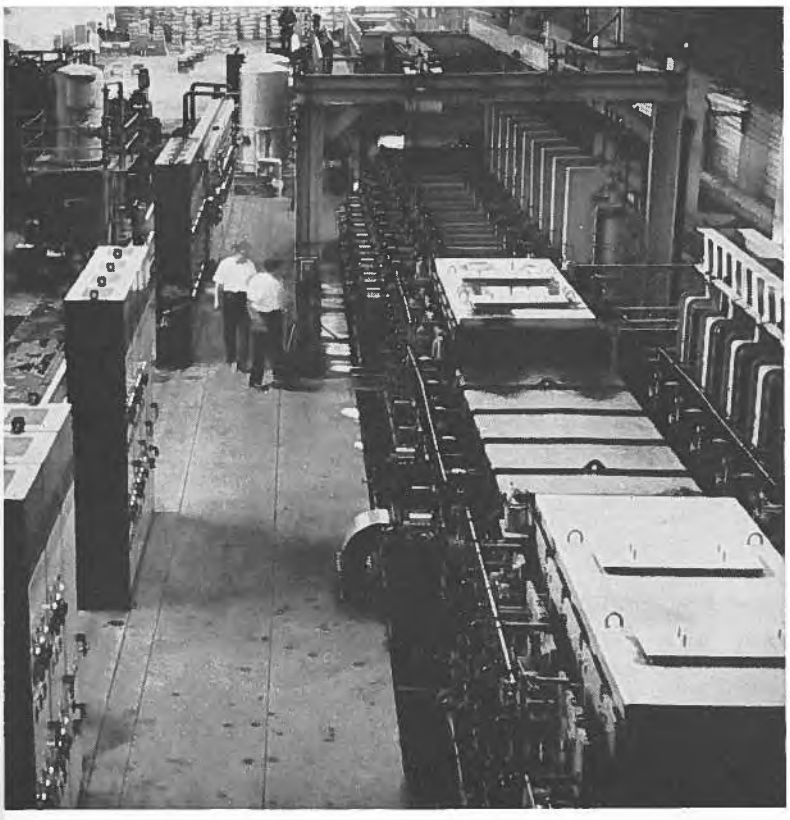
Toronto Harbor's container distribution center, opened in 1970, will constitute another point of interest for visitors. The center features special refrigerated warehousing. About 30 per cent of all goods exported by container last year were packed at the CDC Torport. The first cellular vessels on the Great Lakes, Head Donaldson's *Rando* and *Mondo,* with capacity of 145 containers, made regular calls in the 1971 season and this is expected to be increased sharply in the 1972 shipping season. Increases in general cargo are also anticipated, particularly from the Far East which accounted for 40 per cent of the total market last year. This included 20,000 tons of general cargo from the People's Republic of China.

Seminars will be held on April 18 and 19 dealing with matters that concern the physical distribution side of the industry. The opening session will deal with the Articles of Combined Transport Convention, with Bernard Wheble, a merchant banker and representative of the International Chamber of Commerce, speaking on the "U.K.-European Views on New Rules for Combined Transport." Other topics in the two-day session will deal with Canadian views and suggested changes in law for combined transport, handling bulk cargo in 1972, intermodal transport, the unit load conception, and a discussion on Canadian ports and harbors. The final seminar, an open forum on Canadian traffic and transportation, promises controversial dialogue. A panel of Canadian shippers, importers and exporters will answer questions put by the users of equipment and services.

Canada's world leadership role in containerization concepts and use has established a number of 'firsts' that will be reflected at Transporama Canada '72. Canada had the first intermodal container system in the White Pass to Yukon railway; it pioneered the use of stillages (a step or base to keep containers off the ground, allowing trucks to do other work while the containers are waiting shipment); it was the first country to use open-top containers for domestic steel shipment. The Steadman side-transfer unit called the Railtainer, a device to transfer containers sideways from the truck to the railcar or from the railcar to the truck, was invented and developed in Canada and is used by Canadian National and Canadian Pacific railways. Another Steadman development, the Towtainer MK11 for 20-foot and 40-foot containers, is designed for low-cost terminal handling by a standard road tractor and has a self-contained power unit for lifting.

The exhibition is sponsored by Canports Seminars and produced and managed by Intex Trade & Consumer Shows Limited. Further information and complimentary exhibition passes are available on request from Doug McKenzie, Manager, 952 Queen Street W., Toronto 145, Ontario.

The Halifax container port, which was opened last summer, cost $14 million. It is now handling between 65,000 and 70,000 containers a year. The port terminal is operated jointly by CN, the province and the port company.



BRAZIL TAKES

Plans to quadruple steel production within 10 years with international financial backing will open up many opportunities for Canadian suppliers. This article outlines what will happen and when.

G. D. VALENTINE
Commercial Counsellor, Rio de Janeiro

Brazil, the world's largest coffee producer, is making plans and developing programs which will soon change the whole structure of the economy. These proposals cover a wide range of activities, from huge petrochemical complexes to jungle highways, mineral exploration and hydro installations that rank among the world's largest. This industrial revolution is of such magnitude that it is difficult to tell which part of it is the most important or dramatic, but certainly the Brazilian steel expansion plan must rank near the top. This ambitious proposal calls for the quadrupling of steel production from 5.3 to 20 million tons in just 10 years. Brazil is already the largest steel producer in Latin America and the 19th largest in the world, but when this goal is achieved in 1980 it could become among the world's top 10.

The task will not be easy and there are problems but, given the faith being shown by Brazilian and foreign industrialists and bankers, plus backing from the Government, there appears to be no reason why the objective cannot be met. The demand for steel is there. Production reached record heights in 1970, but consumption still outstripped supply by 20 per cent and imports worth some $100 million were necessary. Carefully prepared projections show that by 1980 demand will exceed 16 million tons per year.

The excess of four million tons over the projected consumption will allow for a reserve of some 20 per cent. Some of this will no doubt be exported; steel exports in 1970 amounted to some 500,000 tons, worth about $75 million. The country therefore has reached a level of industrialization where it both imports and exports steel products, based mainly on geography and a rationalization of production.

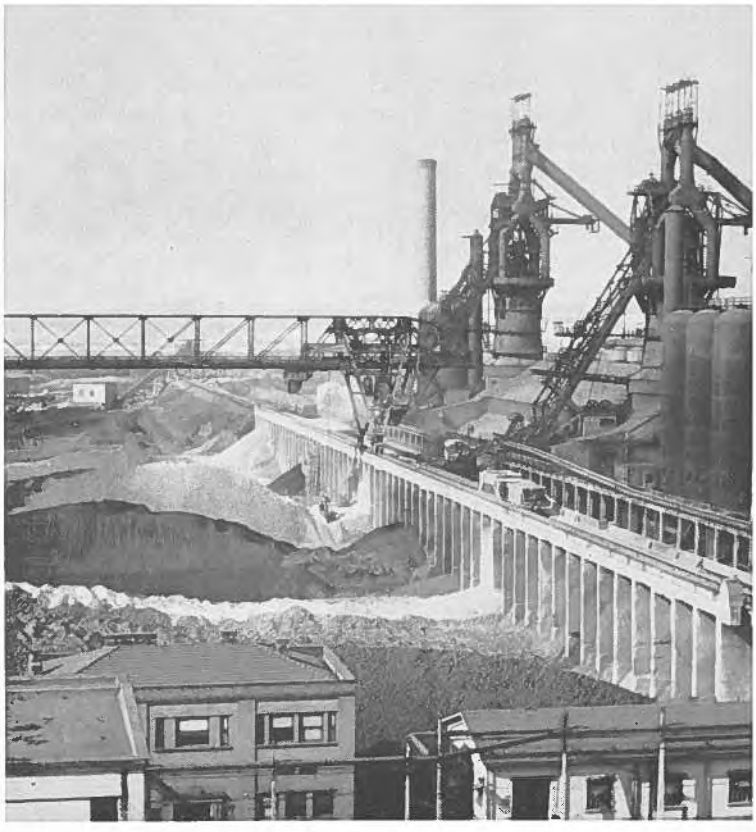
Demand for steel has far surpassed the projection made in an extensive study a few years ago. This demand has been created mainly by a phenomenal and continuing growth in the automotive industry, plus a $1 billion naval expansion project recently announced. (Brazil will launch 200,000-ton carriers within a few years.) The latest steel expansion program, announced in early 1971, concentrates principally on the expansion of the three largest mills and, to a lesser extent, of smaller ones. Because of the Government's enthusiasm and desire to support private enterprise in the field of steel production, manufacturers have been given the needed impetus to advance their plans for new mills. These mills will focus on ingot production and specialty steels which, up to now, have been chiefly imported. A total of more than $3 billion will be invested within the next 10 years so that production can be doubled by 1975 and doubled again by 1980.

Perhaps the best way to get a clear picture of the first phase of expansion, involving more than $1 billion for the three largest mills, would be to discuss the companies involved.

Companhia Siderurgica Nacional (CSN)—Although Brazil's first foundry was established in 1587 and its first iron plant in 1812, steel production began in earnest only after World War I, when two integrated plants were built, one near Belo Horizonte and one in Sao Paulo. In 1941, however, the government-owned CSN was built at Volta Redonda, and it is now the largest mill in Brazil, producing 1.5 million tons of ingots a year. The plant was built mainly with funds from the Export-Import Bank of the United States, and most of its equipment is of United States origin. It is situated between Sao Paulo and Rio de Janeiro at what has been called the world's most attractive steel mill city.

To enable it to reach the goal of 2.5 million tons by 1975 and four million by 1980, CSN is going to add a battery of 81 coke ovens, a blast furnace with a capacity of 6,000 tons per day (tpd), a sinter plant to produce 5,000 tpd, and air separation plant with a 600 tpd capacity of gaseous oxygen and 50 tpd liquid oxygen, and a continuous caster for slabs with an initial capacity of 950,000

THE STEEL ROAD



Part of the electrolytic tinning line of Brazil's largest steel plant, (left), the Companhia Siderurgica Nacional. Equipment is needed if the company is to reach its stated goal of 2.5 million tons annual output by 1975.

A view of the blast furnaces and raw material stock yards of the CSN plant in Volta Redonda, between Sao Paulo and Rio de Janeiro. The company has recently received a loan from the IADB to help it to expand annual production.

tons a year. Also required are rotary car dumpers, double boom stackers, conveyors of varying capacities, impact crushers, magnetic separators, steam generators, air compressors of 7,000 cubit feet a minute capacity, overhead cranes, drying ovens, an electric arc furnace, locomotives, ore and scrap cars, dump trucks, an electrolytic tinning line to produce 150,000 tons per year, ladles, and a large amount of related equipment. Costs for this first stage are estimated to be $410 million.

Usinas Siderurgicas de Minas Gerais (USIMINAS)—This is the second largest steel mill in Brazil and is in Ipatinga in the mineral state of Minas Gerais. The plant has been operating since 1963 and produces 800,000 tons of steel a year. It commenced production after receiving a great deal of technical and financial assistance from Japan. At present, the company is owned 62 per cent by the National Development Bank and 21 per cent by Nippon-Usiminas which will probably increase its share to 33 per cent with the supply of more equipment.

To increase production to 2.4 million tons by 1975 and 3.5 million by 1980, USIMINAS has a shopping list similar to CSN. It includes a blast furnace of 2,500 cubic meters inner volume, gas cleaning equipment, ladles, cranes, a rotary kiln of 300 tons a day capacity, a slab reheating furnace of 200 tons an hour capacity, an annealing furnace, re-coiling line, oxygen plant, diesel locomotives and rail cars, plus related equipment in the electrical and mechanical field. A good part of the $300 million required will probably be supplied either by the Japanese partners or through Japanese banks.

Companhia Siderurgica Paulista (COSIPA)—This mill was started in 1953 by private interests but is now controlled by the state government of Sao Paulo, which has a 95 per cent interest. The company is believed to have the largest blast furnace in Latin America and is adding an even larger one to handle a planned increase of from 500,000 tons to 1.8 million by 1975 and to 3.4 million tons by 1980. French financial assistance helped COSIPA to get started and more French money is now being spent on the expansion. About $400 million will be spent on the first phase to purchase two coke oven batteries with 53 ovens each, one blast furnace of 83,000 cubic feet, two oxygen compressors, one slab reheating furnace of 100 tons per hour capacity, a 160-inch plate mill, four annealing furnaces, 14 travelling cranes of various capacities, miscellaneous railway rolling stock, a cold rolled coil inspection line with an annual capacity of 225,000 tons, and miscellaneous materials handling equipment.

Private Companies—The big three are expected to produce about 11 million of the 20-million-ton objective and the other nine will come from smaller plants now in operation plus new plants being planned or built. As well as the big three plants already named, there are nine other fully integrated steel mills in Brazil ranging in size (1969) from 13,000 tons of ingots a year to 500,000 tons a year. There are also 24 producers of ingots and shapes, plus two which produce only pig iron and cast iron pipes and pieces. At present, there are nine new plants under construction or planned which will produce ingots and shapes, with some of them concentrating on special steels.

Expansion plans of some of the private firms are not large but do involve a great deal of capital investment when added together. The new mills, if they go ahead as planned. could add up to seven million tons a year to the total production. Investment would be in the hundreds of millions of dollars.

The largest of these new mills, according to present plans, will be Companhia Siderurgica da Guanabara, just south of the city of Rio de Janeiro. This is a joint venture between the Gerdau group of Rio Grande do Sul and Thyssen of Duesseldorf, Germany. The company plans →

to produce 600,000 tons of ingots and shapes by 1976 and two million tons by 1981. Investment will be about $500 million. A second mill owned by the same group may be built near Vitoria in the state of Espirito Santo, with a capacity of 1,800,000 tons.

Other mills will be constructed in various parts of the country, including the Amazon area and the northeast, to look after the rapidly expanding industries there. In the south, the new specialty steel mill of Acos Finos Piratini S.A., financed by British funds, is rapidly reaching completion. It will have an initial capacity of 60,000 tons, which may be expanded to 180,000 tons, mainly stainless steel. Because it is near coal deposits of non-metallurgical quality, it will use the direct reduction method.

In Salvador, Usina Siderurgica da Bahia is installing an $80 million mill using Mexican technical assistance. Production is forecast at 280,000 tons of ingots and semi-finished products. In the Amazon, Companhia Siderurgica da Amazonia should be producing nearly 10,000 tons within a few years.

Financing—Until recently, the Brazilian steel industry has been financed almost entirely by bilateral financing from the United States, Japan and France, with smaller private mills receiving investments from Belgium, Germany and other steel-producing countries. These countries, and others such as Britain, Austria and Canada, have been approached with regard to the forthcoming expansion program for the big three, as have the World Bank and the Inter-American Development Bank (IADB). No contracts have been signed yet, although it appears that the World Bank will lend $180 million and the IADB $120 million. The local National Economic Development Bank will probably make available the equivalent of $400 million in cruzeiros, and the local mills about $200 million. The remaining $180 million is being solicited from those countries whose manufacturers submit a successful bid to supply equipment. Almost all the countries so far approached support the plan and have offered the full amount requested.

The general idea now being discussed is that the $300 million from the World Bank and the IADB will be used to finance equipment that can be made in Brazil, although manufacturers from member countries of these banks will also be allowed to bid. Brazilian firms, however, will have an advantage in freight costs, and a 15 per cent price advantage. Equipment not made in Brazil will be tendered for among prequalified firms from those countries which have offered a line of credit. Brazilian officials are hopeful that many domestic manufacturers will be competitive on such basic items as railway rolling stock, hoists, materials handling equipment and electrical equipment, and that the over-all expansion plan will give a boost to Brazilian equipment suppliers. One of the problems in putting out the tenders is trying to decide exactly what equipment can be made in Brazil.

Competition on all items of equipment will be strong and Canadian manufacturers will have to sharpen their pencils to be successful. There seems to be a great deal of interest in the project from foreign banks and equipment suppliers; Brazil, although one of the most indebted countries in the world, has an excellent credit rating when it comes to international financing.

Financing appears to present no major problem, at least for the first phase of the expansion, but two obstacles still have to be surmounted. The first is coal. Although the country is rich in many minerals (it has probably one of the world's largest deposits of iron ore), its greatest source of power is hydro, and petroleum and metallurgical coal are in short supply. Imports of coal, valued at more than $37 million in 1970, could well increase as the steel expansion takes place unless new deposits are found. Exploration is just beginning in the state of Maranhao, in the northeast.

Brazilian siderurgical coal has a high ash and sulphur content, and steel mills, therefore, import 60 per cent of their requirements. Of the 5.18 million metric tons of coal produced in 1970, only 785,200 tons were used for steel production. Canadian coal suppliers could well consider Brazil as a potential customer for metallurgical coal. Transport from Western Canadian ports should not be a major problem, because Brazil has recently signed several long-term iron ore contracts with Japan. These shipments will be made in 250,000-ton ore carriers, some of which could economically stop in Vancouver to pick up coal for the return voyage. Another possibility would be to pick up Western Canadian oil. At present, the ore carriers often sail in ballast to the Middle East to pick up crude oil, in short supply in Brazil.

HOW BRAZIL USES STEEL

	Percentage
Civil construction	26.1
Wire and drawn shapes	13.8
Printing and packaging	12.6
Automotive	12.6
Mechanical and boiler industry	8.1
Railroads	7.4
Industrial equipment	6.9
Domestic equipment	3.6
Naval construction	2.0
Agricultural equipment	1.3
Commercial equipment	1.3
Road equipment	0.6
Miscellaneous	3.7

Scrap metal, another essential ingredient for steel production, is also in short supply. Studies are under way to try to solve this problem, and substituting sponge iron made from materials already in fair supply within the country is a possibility. Iron ore and low-grade coal is plentiful and, by the direct reduction method, large quantities of sponge iron can be produced to supplement the normal supply of scrap metal. Imports can, perhaps, be used to supplement these sources.

This then is the plan, and opportunities for Canadian manufacturers could be abundant. As mentioned earlier, competition from abroad and inside Brazil will be strong, and compatibility factors and financing will play a role. The officers of the Commercial Division at the Canadian Embassy in Rio, (Commercial Counsellor, Canadian Embassy, Caixa Postal 2164-ZC-00, Edificio Metropol, Avenida Presidente Wilson 165, Rio de Janeiro, Brazil), and the Canadian Consulate in Sao Paulo (Caixa Postal 6034, Edificio Scarpa, Avenida Paulista, 1765, 9 andar, Sao Paulo, Brazil), are ready to help any Canadian manufacturers who wish to face the challenge.

Japan Looks Beyond Its Borders

New techniques and advanced machinery are sought to maintain sophistication and diversity in manufacturing. But Canadians must improve their "image" and make personal representation.

Japan's Air Self Defence Force MU-2s, such as the one shown here, are equipped with Doppler navigation equipment designed and built in Canada by Canadian Marconi Company of Montreal. Japan is looking for advanced equipment.

P. G. CAMPBELL, Assistant Commercial Secretary, Tokyo

Japan is well known as a major exporter of manufactured goods. In some circles, it would be more accurate to say that Japan has acquired a reputation for its ability to produce large quantities of manufactured goods, of equal or higher quality, and at a lower price, than goods produced in many Western nations. Japanese manufacturers are also recognized for their sophistication and diversity. Today, Japan is no longer a nation depending on low labor rates and now competes largely on quality and innovation, and should rightly be recognized as an extremely sophisticated industrial nation.

That same sophistication, however, requires Japan to continually hone the efficiency of its industry by adopting new techniques and by acquiring the most advanced machinery to use in its industrial processes. Impressive as industrial growth has been, and impressive as Japan's ability to manufacture a wide diversity of highly sophisticated goods is, it is still a nation of finite resources, and cannot do everything to perfection. The Japanese are the first to acknowledge this, and it is increasingly being recognized by machinery manufacturers and exporters around the world. Japanese industry is more than willing to import foreign machines that embody unique technology, offer particular advantages, or are of higher quality than domestically produced machines.

The Japanese are also major importers of technology. One is continually impressed, when touring Japanese plants, by the number of products being manufactured under licence granted by foreign manufacturers (and, as often as not, being manufactured by foreign machines). One example of this is in the Japanese shipbuilding industry, where the large, most impressive, diesel engines (48,000 hp) for ships are manufactured under licence from a Danish company.

These machinery imports are interesting not only because of their diversity, but also because of their origin. Eighty per cent of them come from three countries: the United States (59 per cent), West Germany (14 per cent) and Britain (7 per cent). Also noteworthy is the fact that these imports have increased by an average of 27 per cent a year since 1967. There is no indication that these imports will level off as Japan's industry becomes stronger. Indeed, the market for machinery should continue to expand with the Japanese economy. This is very much in line with the notion of Japan as a sophisticated industrial nation willing to go beyond its borders to obtain the best in technology and in machinery.

Canada's exports of manufactured goods to Japan, however, have not expanded with the market. In fact, they've decreased in absolute terms. Exports in 1970 in this sector amounted to $15 million, or about 2 per cent of Canada's total exports to Japan, which in 1970 were worth $800 million. This 2 per cent compares unfavorably with the 40 per cent share held by manufactured goods in Canada's total worldwide exports.

There are probably a number of reasons for Canada's somewhat lacklustre performance in this particular

→

market in Japan. There certainly has been considerable truth in the assertion that Japanese import policy makes it difficult for manufactured goods of foreign nations to enter the country. Nevertheless, foreign manufactured goods can be sold in volume, as the import figures indicate.

One of the problems Canada faces is its image. In Japan, Canada is thought of mainly as a large hinterland supplying necessary raw materials. Canada does not have a reputation here for sophisticated industrial goods and, as a result, Japanese importers do not automatically look to Canada when they have a machinery requirement. Indeed, we have difficulty convincing the Japanese that a Canadian product is as good as a "prestigious" German machine. We must attempt to establish a better image in this regard and hope that the momentum created will become self-generating.

Most important, however, in Canada's failure to share the Japanese market for manufactured goods is the disinterest or unwillingness of some Canadian businessmen to visit Japan to promote their products personally. Often, when visiting potential customers for Canadian manufactured goods, embassy officers have found that American, German, British and French businessmen, in considerable numbers, have preceded them; visits from Canadian businessmen have been rare. It is impossible to emphasize this last point too strongly. Japan is a very different place in which to do business, and where a firsthand view is useful, personal contact is particularly important in business dealings. These considerations, of course, are in addition to the basic fact that a direct sales effort is more effective than an indirect one in any market, no matter where it is located. Canada, therefore, not only faces the same problems as does the rest of the world in penetrating the market here for machinery, but also suffers from not having built up the necessary image and from a certain degree of anonymity.

Some Canadian manufacturers, nevertheless, have been successful in the Japanese market. These successes have been characterized by a good product and personal attention (and presence) by the exporter/manufacturer. In particular, Canadian companies have recently been successful in selling pollution control equipment and technology, packaging machinery, equipment for the steel industry, automation equipment, and assembly machinery.

Technology and innovation are some of the hallmarks of Japanese industry. Many of the more sophisticated products are manufactured under licence. But traditional agricultural methods are also giving way to more modern approaches, as this photograph shows.

This young Japanese technician concentrates on his work. He is using Canadian-made electronic test and measuring equipment made in Smiths Falls, Ontario, by Guildline Instruments, Limited.

The figures in the table represent a traditional export base. Particularly noticeable, perhaps, is the share taken by commodities such as razor blades and office machines, which come from the plants of large international corporations operating in Canada.

The diversity of the Japanese market makes it difficult to identify precise areas in which additional success will be easiest to achieve. The whole market for manufactured goods appears to offer opportunities, particularly for Canadian products that

WHAT JAPAN BUYS

. . . from the World

	U.S.$'000			
	1967	1968	1969	1970
General Machines	619,420	822,411	965,636	1,262,441
Boilers and equipment thereof	6,119	3,066	3,644	1,284
Steam power units	12,597	9,593	8,222	12,051
Internal combustion engines for aircraft	44,689	47,722	53,432	82,582
Agricultural implements	27,423	28,049	34,806	39,520
Business machines	160,240	178,848	216,944	322,411
electronic computers	105,413	115,809	154,272	305,146
bookkeeping and accounting machines	14,503	15,428	12,851	13,343
Metalworking machines	58,392	142,734	142,218	167,901
Textile machines	39,898	58,208	61,827	102,196
Paper- and pulp-making machines	6,316	15,615	14,978	15,952
Printing machines	17,716	24,080	26,254	34,802
Mining and construction machines	10,197	14,926	19,872	37,111
Pumps and centrifugal separators	42,057	47,904	51,345	60,750
Dock machines	18,578	16,731	20,086	30,566
Electrical Equipment	201,531	240,586	319,451	463,632
Heavy electrical equipment	42,504	43,133	63,926	92,553
Generators and motors	10,579	9,846	13,667	39,370
Electric circuit items	24,777	27,474	40,317	53,184
Communications Apparatus	29,496	34,341	32,401	52,526
Electric Measuring Instruments	37,184	47,032	61,680	86,929
Other Electrical Equipment	92,347	116,081	161,444	290,185
Household appliances	5,285	5,887	8,018	11,249
Semi-conductor elements	17,106	27,493	47,494	108,917
Transport Equipment	160,389	174,756	230,503	406,162
Passenger cars (excl. auto parts)	32,772	38,023	40,491	54,114
Aircraft	57,020	86,878	131,388	249,382
Ships	51,567	31,357	36,960	60,610
tankers and freighters	32,765	19,594	26,108	51,730
ships for scrap	17,294	9,335	8,389	8,830
Precision Instruments	72,032	89,102	119,096	196,671
Timepieces	18,110	23,450	35,223	36,301

. . . from Canada

	$'000
	1970
General purpose industrial machinery (pumps, fans, ovens, etc.)	982
Materials handling machinery	600
Special industry machinery (mining, metalworking, plastics, etc.)	3,140
Agricultural machinery	210
Transport machinery	1,541
Commercial communication equipment	1,612
Other electronics	160
Air-conditioning equipment	21
Other electrical equipment	379
Measuring, testing, X-ray equipment	782
Hand tools	80
Razors and razor blades	294
Office machines and parts	3,478
Miscellaneous equipment (including vending machines)	74
Other machinery and hardware (including building products, fully manufactured)	1,588
Total	**14,941**

have done well in other international markets. Nevertheless, attention is directed to the glamor and growth industries. Ocean development, for example, has become a major priority in Japan, spurred on particularly by last year's Middle East oil crisis. Japan is undertaking all types of underwater mineral exploration and is looking to the ocean as a potential source of food supply and as a living area.

Pollution control is another major priority, and equipment for this, regardless of nationality, finds a ready market in Japan. There is also a potential market for resource-exploitation machinery, in which Canada has particular expertise. Japan does not have many natural resources of its own, but Japanese companies are actively involved in exploiting natural resources around the world. It is often desirable, and even necessary, to promote the sale of this type of machinery in Japan. A recent example of this has been the sale of timber-harvesting machinery to Japanese forestry interests in Indonesia.

Success, however, has come and will come only to those businessmen who focus their attention adequately on the Japanese market. American, German and British exporters have built up substantial and expanding outlets for their machinery and equipment here by cultivating the market assiduously for many years. Canada successfully exports manufactured goods to the United States, West Germany and Britain, and Canadian firms, therefore, should have enough confidence to compete with these countries on the Japanese market.

It was worth more than $2 billion in 1970 to those who did 'think Japan' when considering outlets for their machinery and equipment. The Tokyo office of the Department of Industry, Trade and Commerce would be most pleased to help Canadian companies to look more closely at marketing opportunities here.

Special Status Helps Puerto Rican Development

The highest per capita income in Latin America, tax incentives for industries and expected $60 million imports from Canada this year mean a worthwhile market.

R. A. FAIRWEATHER, Consul and Assistant Trade Commissioner, San Juan

To many Canadians, Puerto Rico is just another island in the Caribbean associated somehow with the United States. Few understand the unique status San Juan enjoys with the United States, or the trade and investment potential it offers.

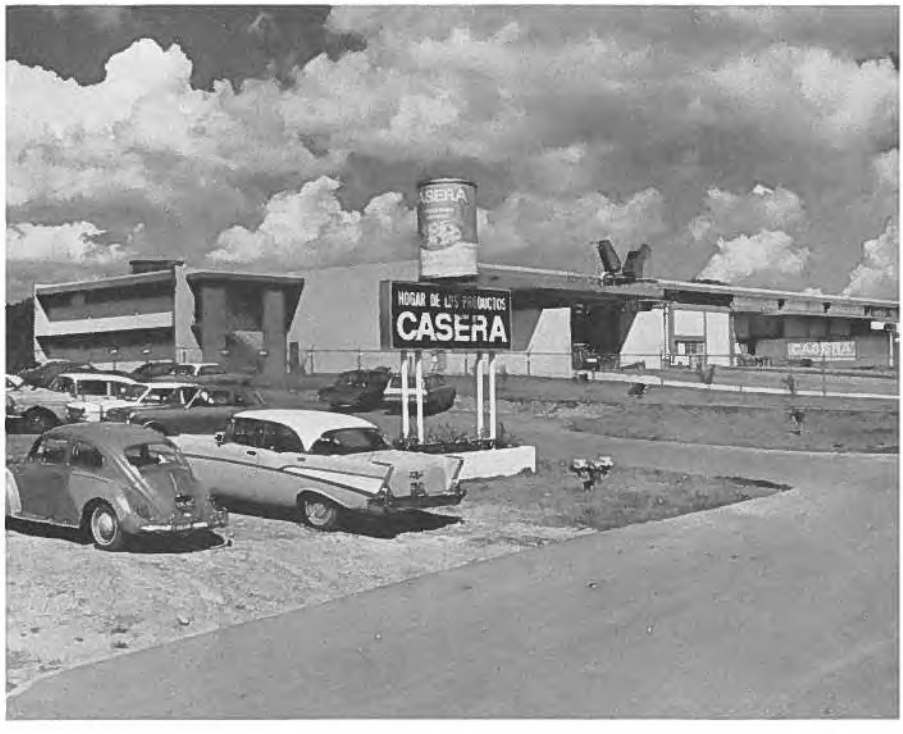
The island is also experiencing tremendous growth, greater than that of all the world's industrial countries except Japan and Israel. In 1970, Puerto Rico's gross national product rose by 7 per cent, primarily because of public investment which exceeded $315 million. The island's real growth during the year was 5.4 per cent and the annual per capita income rose 9 per cent to nearly $1,600, the highest in Central and Latin America.

Geographically, Puerto Rico is the most easterly island of the Greater Antilles, lying between the island of Hispaniola and the Virgin Islands. Miami lies 1,000 miles to the north east, and New York City 1,600 miles due north.

The island was discovered on November 19, 1493, by Christopher Columbus on his second voyage to the New World, and remained under Spanish rule until December 10, 1898, when, as a result of the Spanish-American War, the Treaty of Paris ceded it to the United States. Its special status with the United States began in 1917 when Puerto Ricans were granted United States citizenship, making them autonomous in local affairs but dependent on the United States for matters of an international nature such as defence, customs, foreign relations, postal services and transportation.

Although Puerto Ricans are United States citizens and subject to military service, they do not send elected representatives to the United States Congress or the Senate, nor do they vote in presidential elections. Because the United States Constitution was founded on the slogan "no taxation without representation", Puerto Ricans pay no federal United States income or excise taxes. By agreement, all taxes and customs duties collected in Puerto Rico are returned to the Puerto Rican Treasury. Because the island is not under federal tax legislation, lucrative tax incentive laws can be offered to attract industries.

For an island of less than three million people, Puerto Rico buys more from the United States than do Spain, Portugal, Austria, Ireland and the four Scandinavian nations combined. Only Canada, Britain, Japan and West Germany import more United States goods. In 1970, Puerto Rican imports were worth well over $2 billion. Food requirements, especially rice, beans, codfish, meat and cooking oil, account for about half the imports. Large amounts of capital equipment and raw and semi-manufactured goods have had to be imported for the expansion of industry. Raw materials account for about 40 per cent of foreign imports, of which a significant portion is crude oil from South America. Among Puerto Rico's most important exports are chemicals, machinery and electrical supplies, petroleum, petroleum derivatives, sugar, rum and fruit products.



The Casera plant in Puerto Rico is typical of the type of factory the Economic Development Administration provides for industries locating in the island. Other incentives include tax holidays and capital grants.

Because Puerto Rico operates within the United States tariff wall and customs regulations, no duties are levied on goods moving between the mainland and the island. United States customs duties apply only on imports coming to Puerto Rico from other countries. There are, however, Puerto Rican excise taxes which are assessed on imports from all sources. These taxable imports include automobiles, electrical appliances, jewellery, rugs and carpets.

Canada's trade with Puerto Rico has increased substantially in the last five years. In 1965 our total exports to the island were worth $17.7 million, and in 1969, $37 million. By 1970 they amounted to almost $50 million and it is expected that, by the end of 1972, Canada will sell goods worth more than $60 million to the island. In addition to direct exports, which as of July 1971 stood at $30 million for the first seven months of the year, a good deal of Canadian items reach San Juan indirectly through the United States. The most remarkable growth in exports has been in the secondary manufactured goods and consumer items. In 1964 agricultural items, fish products, lumber and newsprint comprised 75 per cent of Canadian exports to Puerto Rico. By 1967, this percentage had fallen to 44 per cent and last year these products made up only 30 per cent of the total.

In 1948, the Government of Puerto Rico initiated a long-term development scheme aimed at lessening, through industrialization, the island's dependence on agriculture. Known as "Operation Bootstrap," it has enabled Puerto Rico to reach its current, relatively high, level of affluence. This industrial promotion program is still in effect today and it is expected that, by continuing to change and adapt it, an additional industrial investment worth $4.6 billion will be brought to the island by 1980.

The Government Department responsible for "Operation Bootstrap" is the Economic Development Administration (Fomento). The direction of this organization was taken over early in 1971 by Manuel Casiano, who has streamlined operations and installed a more promotional attitude in its employees. Tax holidays, low-cost labor, capital grants and other incentives are a major part of the program. But the island realizes that if it is to compete with other equally attractive investment areas of today, it must put on a more concerted drive to have manufacturing industries establish here. It is no longer sufficient simply to offer extremely attractive tax incentives (up to 17 years exempt status) or point out that labor scales are lower than those of the mainland.

Puerto Rico's unemployment rate averages nearly 11 per cent of the labor force. Some of this unemployment stems from the recession on the mainland which is having a drastic effect on Puerto Rico's economy.

Petrochemicals is the largest industry in Puerto Rico, followed by apparel and textiles, tourism, electronics and pharmaceuticals. (Sugar still accounts for half the island's dwindling agricultural income, but for the past several years production has been insufficient to meet the preferential sugar quota granted by the United States. Some of the large sugar producers have sold their interests to the Government, which is trying to revitalize the industry.) The petrochemical industry has contributed most to the tremendous growth of the economy. Many large international firms have located on the south coast of Puerto Rico.

WHAT CANADA SELLS TO PUERTO RICO

		$'000	
	1969	1970	Jan-July 1971
Hardtop sedans, new	7,808	5,167	6,668
Lumber, hemlock	3,940	4,149	3,500
Newsprint paper	3,255	3,738	2,947
Generators and parts	—	2,123	1,975
Trucks and chassis, under 6,000 lbs.	2,010	2,407	1,475
Aluminum pig ingots, shot, slabs, etc.	430	—	1,172
Sedans, new n.e.s.	2,796	1,500	1,096
Cod, heavy salt, 43 per cent or less moist	1,550	1,441	1,036
Telephone apparatus equipment and parts	727	568	781
Chemical elements, n.e.s.	—	—	756
Sheet and strip steel, n.e.s.	496	1,206	730
Truck and chassis, commercial, n.e.s.	1,099	536	558
Potatoes, seed	812	1,018	554
Cod, light salt, 43 per cent or less moist	979	774	443
Lumber, Douglas fir	906	1,216	416
Furniture, all types	61	222	387
Insulated wire and cable	357	1,352	333
Dog and cat feeds, complete	489	598	315
Bars, steel, hot rolled	648	1,395	305
Pollock, dried salted	261	435	263
Passenger car tires, pneumatic new	240	319	228
Electric lamps, bulbs, tubes	229	402	224
Malt	322	296	183
Cod, boneless, salted	311	203	180
Fire brick	191	322	176
TV receiving sets	—	324	169
Excavating, dredging machinery and parts, n.e.s.	—	16	164
Writing and reproduction paper	28	26	143
Dies and moulds for plastics machinery	52	1	131
Engines, turbines and parts	—	9,537	117
Station wagons, new	198	35	91
Whisky	113	150	84
Copper pipe and tubing	811	801	83
Biscuits and cookies	267	134	62
Potatoes, fresh	625	284	61
Lumber, spruce, n.e.s.	247	182	54
Dairy cattle	62	352	49
Non-alcoholic beverages	170	234	43
Transformers and parts	267	128	29
Wood pulp, bleached sulphite paper grades	345	295	216
Total	**36,976**	**48,514**	**30,800**

Source: Statistics Canada

Among them are: Union Carbide, Phillips Petroleum, Commonwealth Oil, Sun Oil and Gulf Petroleum. The petrochemical industry in Puerto Rico has grown from an initial investment in 1960 of $96 million to a total investment of nearly $1 billion in 1971. Anticipated continued growth of this industry should give rise to a complex of associated secondary industries.

Mining could also become an important factor in the economy. In the early part of the last decade, large copper deposits were found in the southwest and American Metal Climax and Kennecott Copper, operating through local subsidiaries, have expressed an interest in developing them. But there has been some concern about ecological effects and, until the Government and the firms can come to some agreement, no extraction of ore will occur. The Government also would like the firms to set up ore refineries on the island rather than export the concentrates. A step in this direction is the revitalizing of plans for a $100 million aluminum smelting plant, plans abandoned by the Aluminum Company of America (Alcoa) two years ago. Such a plant would bolster the industrial capabilities of the island. However, because of its electrical needs, the project will probably be delayed until the Puerto Rican Electrical Authority completes its nuclear power generating plant on the south coast.

Together with agriculture and industrial development, tourism is important to the Puerto Rican economy. Last year was probably the worst for tourism in the past 10 years. Economic pressures forced some large tourist hotels to close and several others were contemplating similar action. Recent reports, however, indicate that the tourist industry is slowly recovering. While hotel occupancy has been down in most other Caribbean areas, Puerto Rico has had a 7 per cent increase in the last few months over previous years. The Government has helped by carrying out a promotional campaign on the mainland to attract tourists, which appears to have paid dividends. Although several hotels have closed their doors, others are being constructed.

As a result of these developments and others, Puerto Rican authorities predict that the economic picture will brighten. The island has been able to attract several large basic industries which should be operating later this year. In addition, the Government has instituted a program of public works with specific emphasis on road building and public housing. These developments will help compensate for the loss of jobs experienced in some industrial areas and will help the island to regain the economic momentum of past years.

Sprawled over a large acreage, the Union Carbide plant is representative of the many giant complexes that have been built by international firms on Puerto Rico's south coast. Over the years, the petrochemical industry has contributed most to the island's economic growth and now has an investment of $1 billion.

The Canadian Consulate in San Juan has been successful in promoting Canadian food goods, furniture, semi-manufactured industrial products, electrical equipment and industrial machinery, and looks forward to continuing to introduce Canadian goods and services into this market. If you are a manufacturer now exporting to the United States, chances are you can find a market for your products in this sophisticated, cosmopolitan, expanding island. Canadian businessmen should not classify Puerto Rico as just another Caribbean isle or bypass it during their annual winter visits to the Caribbean. With proper planning and salesmanship, Puerto Rico could become your largest customer south of the United States. It is well worth a visit to determine your competitive position and learn more about the opportunities that exist. You may be pleasantly surprised.

Dominican Republic: New Sales Opportunities in View

Through development programs and incentives to attract investment, the economy is recovering, opening up markets for food, textile goods, metals, among other items.

R. A. FAIRWEATHER, Consul and Assistant Trade Commissioner, San Juan

Falconbridge is investing nearly $200 million in the Dominican Republic to mine and process extensive ferro-laterite ore deposits. Its plant, near the town of Bonao, is nearing completion and should soon be in full production.

The Dominican Republic, during the last several years, has embarked upon a program of economic growth. Through sound planning, the gross national product grew at a rate of 6.5 per cent in 1970, the fifth year in succession it has shown an increase. The country is still plagued with a balance-of-payments problem, however, as imports continue to outpace exports and repayment of long-term debts puts further pressure on the foreign exchange reserves of the Central Bank. But by restricting imports and maintaining a tight fiscal policy the situation is healthier now than it has been at any time during the past several years.

The Dominican Republic, created an independent state in 1844, is on the Eastern part of the island of Hispaniola and covers about 19,000 square miles. It is divided by two mountain ranges, the highest peak of which exceeds 10,000 feet. On either side of these ranges are the flat fertile coastal plains and between them the valley of the Cibao, the "bread basket" of the nation. The population numbers approximately four million, nearly a quarter of whom live in the metropolitan area of the capital, Santo Domingo.

The steady rise of the GNP is due mainly to the remarkable sugar harvests of recent years. The harvest in 1970 exceeded one million short tons. Ideal weather conditions contributed also to increased production of other cash crops, such as coffee, cacao and tobacco. These commodities account for nearly 90 per cent of the country's total export earnings ($213 million in 1970), of which sugar makes up more than half. The United States buys the bulk of the country's sugar production at preferential prices on a quota basis, which last year was in excess of 700,000 short tons. Sugar producers should be able to fill this, as reports at time of writing indicate that production will at least equal the 1970 figure.

In order to lessen the country's dependence on sugar, the Department of Agriculture is placing greater emphasis on the raising of livestock. The growing of rice and corn is being encouraged to replace other imported feed grains for the livestock industry. The country has also started to grow more Virginia-type tobacco for local manufacture of cigarettes.

In 1970 there was a 34 per cent rise in private investment attributable mostly to the inflow of foreign capital for the Falconbridge ferro-nickel project. Falconbridge is investing nearly $200 million in the Dominican Republic to mine and process extensive ferro-laterite ore deposits near the town of Bonao. By the end of 1970, construction of the processing plant and ancillary facilities had almost reached the half way mark. Hopefully, the plant will be in full production early this year. At the height of construction there were nearly 4,000 employees working on the project. Falconbridge also had to build roads, port facilities, a pipeline to carry fuel from the port to the mine site, a 200-megawatt thermal power plant, a housing project of 200 homes, cafeterias and a school. Many Canadian firms were successful in supplying equipment for these related projects and for the processing plant. Several other mining firms are evaluating bauxite and copper reserves.

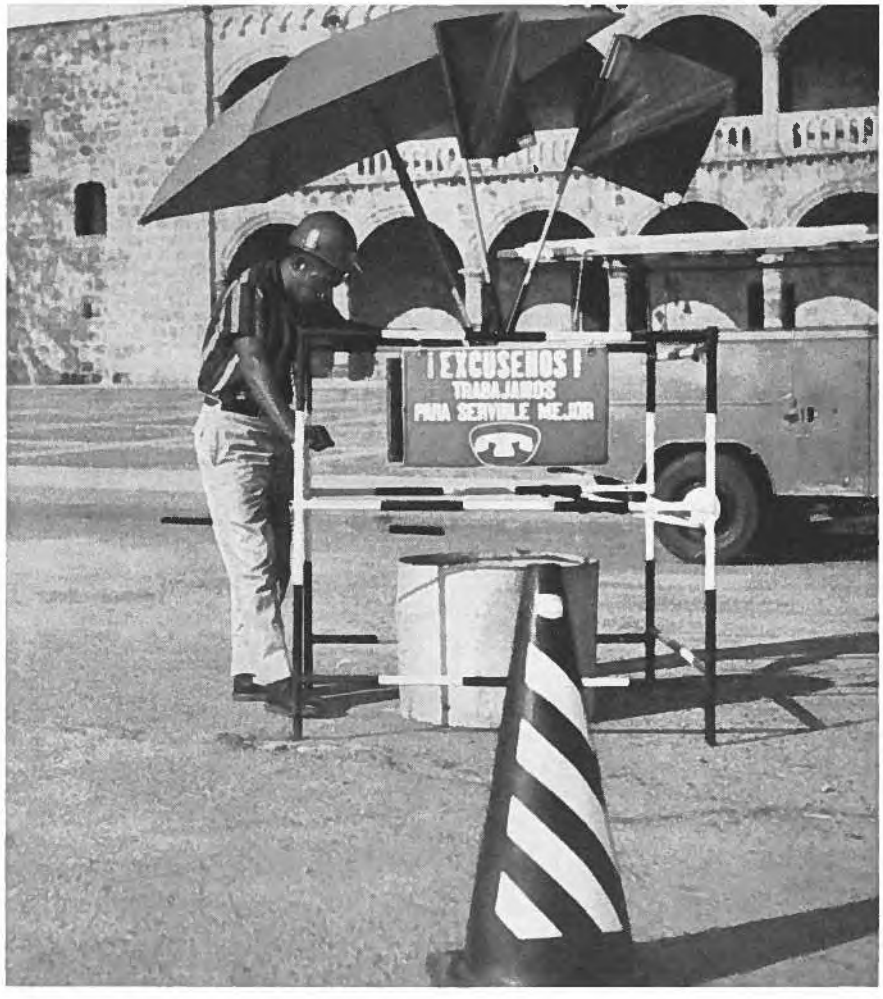
New York and Honduras Rosario Mining Company announced last year it would invest approximately $30 million in a gold and silver mine. Copper and zinc will also be important byproducts of this venture. Once the Falconbridge and New York and Honduras plants are in full production, the country's export earnings should increase substantially.

Several other new industrial enterprises have contributed to the Government's plan to replace imports with goods of local manufacture. In 1968 the Government enacted an Industrial Incentive Law exempting qualified industries from all duties and taxes on imported equipment and raw materials used in the industrial process. Exemption from income tax is also provided. Qualified industries are those which manufacture solely for export or are important to the country's development in that they represent savings of foreign exchange or create a source of employment. This program aroused poor response abroad and modifications were introduced recently to clarify the benefits that foreign companies could apply for and to plug some of the loop-holes left by the rather hasty framing of the original legislation.

The country's ability to rebound from the economic setbacks it suffered midway through the last decade at the time of the civil war is attributable to the stability enjoyed by the country since 1966. President Balaguer, who was re-elected last year for a second four-year term, has consistently emphasized economic recovery. Government income has been increasing steadily, allowing initiation of both immediate and long-term development plans. The principal objectives are to raise the per capita income, which now stands at $300 a year, by 10 per cent by 1974, create 200,000 new jobs over the next three years, provide more educational facilities and raise the school-leaving age from 7 to 14, build sufficient housing and hospitals to satisfy present and future requirements, and supply water and electricity to everyone. The country is well on its way to meet these objectives.

During 1970, the improved sugar cane and cacao harvests, together with better coffee prices, led to an increase of 17 per cent in the value of exports, which reached a record $213 million. The most striking feature was the rise in sugar sales. The entire United States quota was filled, plus the 174,000-ton world market quota granted under the International Sugar Agreement. At the same time, coffee exports increased only slightly in volume, but showed a 40 per cent growth in value owing to the strengthening of world prices. Cacao exports increased by 50 per cent over the previous year, but lower prices cut earnings to approximately the 1969 level. It is expected that, once Falconbridge goes into produc-

Underground telephone equipment is installed on a Dominican Republic street by a work crew as part of a program to expand the local utility. Telephone equipment is one of Canada's major exports to this country.



CANADIAN EXPORTS TO THE DOMINICAN REPUBLIC

		$'000	
	1969	1970	Jan.-July 1971
Telephone apparatus equipment and parts	539	2,716	2,170
Measuring and testing equipment	—	—	742
Insulated wire and cable	200	1,091	736
Copper bars, rods and shapes	560	847	523
Mining-quarrying machinery and parts	12	696	440
Aluminum pigs, ingots, shot slabs etc.	400	492	352
Newsprint, paper	376	740	334
Herring, bloaters	691	479	233
Fire brick and similar shapes	—	367	224
Railway sheet roll stock	—	—	218
Sardine, canned	553	511	199
General purpose industry machinery		53	187
Writing and reproduction paper	235	187	173
Conveyors, conveying systems and parts	—	866	158
Industrial control equipment	6	8	156
Structural shapes and sheet piling	—	4,660	141
Sound amplifiers	—	—	131
Biological products for humans	9	17	129
Electricity measuring instruments	—	—	129
Zinc blocks, pigs and slabs	75	76	118
Hake, dried salted	116	172	109
Valves, iron or steel	—	15	104
Switchgear and protective equipment and parts	1	253	100
Insecticides and rodenticides	—	172	99
Industrial furnaces, kilns, ovens and parts	—	660	98
Breakfast cereal foods	110	56	93
Asbestos, milled fibers group 4 and 5	129	166	90
Milk powder, skim milk	20	6	85
Potatoes, seed	125	125	74
Malt	190	211	88
Prefabricated building structures and parts	—	652	66
Car tires	49	61	62
Transformers and parts	31	636	50
Safety and sanitation equipment and parts	—	136	40
Copper pipe and tubing	4	116	29
Paper for printing	123	103	25
Cranes and derricks	—	175	26
Pumps, pumping systems and parts	2	123	18
Vacuum pumps, fans, blowers and parts	6	466	12
TOTAL	**6,162**	**20,470**	**10,455**

tion, the export of ferro-nickel ingots will make up nearly one quarter of the Dominican Republic's total export earnings. An effort is also being made to expand export markets by negotiations with the CARIFTA countries and Puerto Rico. The total value of exports during the period January-July 1971 reached a record $152 million, with an estimated $240 million for the whole of 1971. This expected increase of $27 million over 1970 should help the balance-of-payments problem the country has experienced in recent years.

Because of equipment required for the Falconbridge mining project and two hydro electric dams under construction, imports in 1970 rose by nearly 30 per cent. Import substitution has been encouraged by fostering local industry and the recently completed Nestlé's milk plant and the Shell Petroleum Refinery, due for completion early this year, should continue this process. As other major industrial projects are completed, the volume of imports should decline and the balance-of-payments situation be eased.

Canada's exports to the Dominican Republic have grown significantly in recent years in such areas as structural steel, telephone equipment and industrial machinery. Much of the over-all growth is due to the Falconbridge investment and the expansion program of the Dominican Telephone Company. It is not expected that 1971 exports will reach the same level as those in 1970, because of the fall-off in procurement by Falconbridge. Canadian firms, however, should be aware that possibilities do exist to sell to the Dominican Republic under long-term financing agreements the country may have with various international lending organizations such as the World Bank. For example, the World Bank recently extended a grant of $4 million for school development, and part of it will be used to buy school equipment abroad. Many Canadian companies have already registered their interest in supplying such equipment with the Dominican officials responsible for this project.

A further loan from the World Bank may be forthcoming for agricultural diversification and irrigation projects, which should increase the demand for farm machinery and irrigation equipment. As the country continues to industrialize, there will be a need for machinery, agricultural equipment and chemicals. In addition, there is a growing market for packaged food, textile goods, iron and steel, and semi-manufactured metals.

The accompanying table indicates what Canada exports to the Dominican Republic. The pattern of Canadian exports should continue to follow similar trends, with particular growth in such areas as bulk food items, iron and steel, copper products, telephone apparatus and industrial machinery.

Although this country offers a small market because of its current foreign exchange problems, it should not be overlooked. It is the second largest country of the Caribbean, with vast areas of arable land for agricultural development, proven mineral resources, an available labor force, and a program of sound economic planning. It has the potential and is building a solid base on which to realize it. The Canadian Consulate in San Juan, Puerto Rico, is responsible for trade and commercial matters in the Dominican Republic and can advise interested companies of market conditions, identify specific export opportunities and assist in contacting active local distributors or agents.

Haiti: Signs of Recovery

Development of light industries, tax exemptions and duty concessions are encouraging foreign investment. Tourism also offers opportunities.

G. S. SHORTLIFFE, Consul and Trade Commissioner
R. A. FAIRWEATHER, Consul and Assistant Trade Commissioner, San Juan

After a period of economic stagnation in the 60's, there are signs that the Haitian economy is recovering. There are also indications that after an economic history of almost total reliance on agriculture, Haiti is beginning to experience the effects of the 20th century industrial revolution.

Haiti, the only French-speaking republic in the Americas, occupies the western half of the island of Hispaniola in the Caribbean between Puerto Rico and Cuba. The total land area is 10,714 square miles, two thirds of which is rough and mountainous, unsuitable for cultivation. Between the mountain ranges that cross the country lie several broad fertile plains where most of the country's estimated population of five million live.

Haiti is the poorest country in the Western Hemisphere with an annual per capita gross domestic product of about $70. Traditionally, most of its people have subsisted on small landholdings and many have little or no contact with the country's money economy. Today, Haiti remains essentially rural in character with less than 15 per cent of the population living in major cities and towns such as Port-au-Prince and Cap Haitien.

Discovered by Columbus in 1492, Hispaniola was a part of the Spanish empire until it was ceded to France in 1697. Under French administration, and with imported slave labor, the colony prospered on sugar and coffee production during the ensuing 100 years. In 1791, the slave population rebelled and in 1804 won independence as the Republic of Haiti.

The history of Haiti since independence has been turbulent. Between 1843 and 1915, 22 different presidents ruled the country in conditions of extreme political and economic disorder. In recent years, Haiti has known

Haitian construction workers guide a pipe into position during installation of a $2.3 million water and sewerage project to improve services to industry. More than $250,000 worth of Canadian-made pipe was used in the project.

greater stability under the late Dr. François Duvalier, who was elected President in 1957. Upon his death in April 1971 his son, Jean-Claude, succeeded him. Recent months have witnessed a peaceful transfer of power combined with efforts to further develop the economic recovery of this small Caribbean nation.

Haiti is still largely dependent upon agriculture and suffering from the economic stagnation of the 60's, but the development of labor-intensive light industries known as transformation industries is seen as the key to recovery. These industries have been attracted to Haiti by government policies which offer liberal tax exemptions and import duty concessions on foreign investments, by low wage rates, an assured source of power and by the country's proximity to the North American market. The transformation-industry program was set up four years ago. Since then, more than 50 firms have been established and some 10,000 new jobs have been created.

Transformation industries specialize in processing or assembling goods for re-export to the United States and most of them are United States subsidiaries or United States joint ventures with Haitian firms. Under the program, all raw materials and component parts are brought into Haiti duty free and all products of these industries must be exported. Some of these products are wearing apparel, fashion accessories, shoes, toys, baseballs, electrical and electronic goods and handicrafts.

The prospects for future foreign investment in Haiti appear good. The success of the transformation-industry program is causing other firms to take a look at investment opportunities in the country. A large, inexpensive labor force and improvements in international transport services to and from Port-au-Prince are factors which will encourage investment. Another is the recent completion of the huge Peligre hydroelectric dam. This will encourage investment as the dam will provide a relatively continuous supply of electricity.

The development of light industries is of major importance to the economy. It represents a significant step away from reliance on agriculture and, through the creation of new jobs, is increasing the proportion of people who work in the money economy. It appears to be affecting other sectors of the economy also. Agricultural production in general has risen, although production of such important export crops as coffee and sisal has dropped. Increases in world prices for these products, however, have offset the declines. Sugar output has expanded recently and should continue to do so when two new United States-operated mills come into production. The country has significant natural resources but they are mainly underdeveloped. The only major mineral exports are bauxite and copper, and exports of these are increasing.

Tourism is also undergoing expansion. Between 1969 and 1970, the number of tourist arrivals rose by nearly 20 per cent and it appears North American tourists are discovering Haiti in ever-increasing numbers. Visitors find that the service is excellent, the cuisine superb, the people hospitable, the climate benign and that reasonable facilities are available. It is estimated that nearly 200,000 tourists visited Haiti last year. The inflow of tourist dollars, up 13 per cent in 1970, has helped and will continue to help ease Haiti's chronic foreign exchange problems.

Despite these recent signs of recovery, Haiti remains a small market. Its total import from all sources amounted to only U.S.$60 million in 1970. Canada's exports of various goods to Haiti in 1970 were worth $4.85 million but more than $3 million of this represented exports of wheat.

The economic future for Haiti appears brighter than it has for some years. Assuming political stability continues and present economic policies remain unchanged, foreign investment should continue to grow, as should agricultural production and tourist spending. The Government has also embarked on programs for expansion of the nation's infrastructure which should further stimulate the economy.

Nevertheless, the market for Canadian exports will remain small and specialized until the economy can reach a relatively high level of consumption. Considerable development must still take place and the purchasing power of the people must be increased before this happens. The best prospects for Canadian exporters lie in tourism, in light industry, and further expansion of traditional product lines. Canadian companies already doing business in the Caribbean may wish to have a new look, or a first look, at the possibilities of setting themselves up in Haiti through the appointments of agents or through direct marketing techniques. Such companies should note that there is no official foreign exchange control in Haiti. Currency is freely convertible and this policy may further encourage marketing activities as part of a general endeavor in the Caribbean region. The Canadian Consulate in San Juan, Puerto Rico, is responsible for trade promotion activities in Haiti and will help Canadian businessmen who would like to examine the Haitian market. The Canadian Embassy in Haiti, C.P. 826, Port-au-Prince, will also assist visitors to Haiti.

CANADIAN EXPORTS TO HAITI

	Dollars	
	1969	**1970**
Wheat	1,445,868	3,071,927
Herring, bloaters	289,241	213,898
Mining-quarrying machinery and parts	66,233	206,810
Telephone apparatus equipment and parts	190,625	167,889
Insulated wire and cable	80,201	118,045
Cod, heavy salt, 43 per cent or less moist	61,350	95,531
Alewives, pickled	51,213	88,758
Commercial communication equipment	3,122	70,581
Rock drilling and related machinery and parts	33,969	57,958
Industrial chemical specialties and explosives	82,127	56,051
Sardines, canned	27,642	42,273
Writing and reproduction paper	12,671	35,809
Non-current-carrying wiring material	5,999	33,301
Macaroni products, dry	21,781	21,772
Batteries, wet and dry cell	9,569	21,002
Aluminum fabricated materials	21,272	18,196
Total all exports	**3,694,142**	**4,850,859**

Claims and Cures

An ounce of prevention can save you an expensive cure for that unpaid account. Here is good advice from our New York office which receives many requests to "... take this matter in hand and recover this money for us".

LILLIAN BRITTAIN, Commercial Officer, New York

On my desk is a file that has grown to more than an inch thick in ten months. An active commodity? No, claims and complaints—and just from Canadians.*

During the past year, about two hundred Canadian individuals and companies have approached our office for assistance with consumer complaints and business claims. Individuals have asked us to track down magazine subscriptions, to expedite book orders for The Romance of Lust and such, to obtain promised refunds on everything from works of art to wigs. Their problems derive mainly from mail orders and are caused, generally, by inefficient record keeping and despatching, and sometimes by fraudulent practice.

From the business side the unanimous plea is for our help in obtaining payment for goods already delivered. Here is a fairly typical quotation from a recent letter, "Would you please take this matter in hand on our behalf and recover this money for us".

Now, in taking the matter in hand for the Canadian supplier, there are certain things we can do. We can telephone the customer and seek his co-operation, write and remind him of the debt, and follow up with phone calls and letters if there appears to be a chance he will respond. But we have no power to "recover the money", we can only try. If the customer intends to pay, our intervention may prompt him to sign the cheque now, instead of next month or next year. But he may not intend to pay—at least not yet. Vast numbers of businesses of all types find it quite advantageous to hold on to a supplier's funds as long as possible. As soon as such customers learn which suppliers are soft on collection they relegate the easy accounts to the bottom of their priorities. The possibility of collecting in full becomes more remote as time passes, as does the possibility of our intervention helping. Only about one in 20 of the cases in which we become involved reaches a successful conclusion.

There are some steps you can take to protect yourself. Before you ship, talk to:

(a) the Regional Office of the Department of Industry, Trade and Commerce, if you are new to export, for general information on export procedure.

(b) your banker: he can perform two major services. Through corresponding banks he can obtain general financial information on your customer and, at a given time, ascertain whether the customer has sufficient funds to cover his debt to you. Your banker should also be able to explain the various methods of payment available to your customer. Letter of credit is recommended, although a lot of U.S. firms prefer not to deal this way with Canadian suppliers.

(c) your lawyer: if you are entering into any type of contractual arrangement, do so in consultation with him. Try to avoid loose agreements, even with customers you think you know.

(d) other sources of credit information available to you. Normally, our office will be able to provide this information about firms we have suggested to you.

Once you have delivered the goods, follow up efficiently. Bill immediately and follow up every 15 days. When payment is due, bill again. Send a reminder after one week. After another week or two, take positive action to collect.

If you are offering discount terms for prompt payment, do not extend this offer beyond the time limit. To do so over a period of time may be considered as modifying the terms of the contract.

The sooner you take definite action the better your chance of collecting in full. Claim cases become progressively more complicated as time passes. Documents and witnesses disappear, details change, shipments mysteriously become defective. Your case drags on and, even if you win it, your expenses are higher—you pay the cost, not the defeated defendant.

Unless you do it in the early stages, don't ask for help from a consulate, trade organization, business bureau or other complementary assistance organization, or obtain a "lawyer's letter," written for a small fee but without further involvement in the case. Taken early, these actions will serve to remind the debtor that you mean business, but taken late will imply that you don't. Unless you know the customer well and are prepared to give him some leeway because of financial difficulties, poor market conditions, etc., avoid non-professional intercession except as an early, prompt, first resort.

Take professional action sooner rather than later. You should:

Retain a collector—Reputable collection agencies operate at, or close to, Commercial Law League of America rates as follows:

20 per cent on first $300,

18 per cent on $300 to $2,000,

13 per cent over $2,000,

minimum fee $25,

7 per cent additional fee on accounts handed to attorneys, plus out-of-pocket legal expenses (variable).

*There is a similar file of American problems with Canada, but we deal with them only in extreme cases. Normally business problems are referred to the United States consulates in Canada or other appropriate agencies.

In general, their practice is to send a letter to the debtor advising him of the impending visit of their agent and stressing reasons for payment, a visit or visits by the agent, and, after about three weeks, referral to an attorney, with the consent of the creditor. A good agency should collect with speed and efficiency and advise promptly if the claim is uncollectable.

Prepare for legal action—If you are using a collection agency, they will retain a specialist attorney on your behalf. If not, your own lawyer should locate local counsel in the area where the debtor is established because any judgment against him will have to be obtained there or, ultimately, upheld there. It is possible to select your lawyer yourself through Legal Aid, a referral service or our office, but it is preferable to have your own local lawyer involved and in touch with the matter. A lawyer's fee will run anywhere between 25 per cent and 40 per cent of the funds recovered, depending on the amount of the initial retainer and a lot of other factors, such as the size and feasibility of the claim. The legal business is very good in our area at present and it may not be easy to locate a firm interested in a small case. If the claim goes to court it may take a year to obtain a hearing in some New York and other city courts, less in upstate counties.

All in all, the advantages of operating efficiently in the early stages of your dealings with a customer are immeasurable. The businessman who hopes for more than minimal free advice and assistance in collecting overdue accounts diminishes his chance of and the amount of recovery. Seek advice and information, both free and professional, before entering into business negotiations, not after the fact.

A further word, and to some people a nasty one—"consumerism". If your product is headed ultimately for a retail outlet somewhere, you had better believe that consumerism is a reality. The manufacturer whose products are fit to sell and whose policy on returns and adjustments is reasonable can only benefit from this growing trend, both as a supplier and as a consumer himself. Agencies are proliferating on all sides—federal, provincial, municipal, and even commercial —all of them looking for consumers to protect. Here is a list of the major ones in New York City for your edification and possible use.

Federal Trade Commission
26 Federal Plaza
New York, N.Y. 10007
Consumer complaints, misleading advertising.

Post Office Inspector in Charge
G.P.O.
New York, N.Y. 10001
Misuse of mails

Attorney General of New York
New York State Department of Law
80 Center Street
New York, N.Y. 10013
Consumer complaints, consumer fraud.

Department of Consumer Affairs
City of New York
80 Lafayette Street
New York, N. Y. 10013.
Consumer complaints.

Better Business Bureau of Metropolitan New York
220 Church Street
New York, N.Y. 10013.
Complaints about member firms.

You can see that as a consumer you are well protected; as a businessman, it's up to you.

Step into Our Parlor...

. . . if you need help in promoting your products in the Southwest United States. The Dallas Consulate can offer many services, including a showroom, an office, stenographic help —even a model.

Staff secretary Mary Winters provides a welcome reception to visitors to the Canadian Consulate in Dallas. The Consulate staff make every effort to gear promotional campaigns to exporters' needs. Mary has often been asked to model by visiting garment manufacturers who wish to display their latest fashions.

JIMMIE GREEN, Commercial Officer, Dallas

Presumably, as a Canadian businessman, you are aware of the marketing assistance available through the Trade Commissioner Service, particularly for such services as assessment of potential, screening of prospective agents or distributors, and arranging appointments. You may not, however, be aware of the physical facilities available for your use in the Consulate offices throughout the United States.

Such facilities vary from one Consulate to another, as do regulations concerning their use. We can speak only for Dallas where the Canadian business visitor is still something of a "happening." Manufacturers often tell us that our enthusiasm concerning their products is contagious, and speeds them on their calls with added confidence.

Our support for your sales effort ranges from providing a temporary office to holding a sizable trade reception to launch a new rep. Should you need only a base of operations, a spare office is available to you, complete with the service of a telephone receptionist to handle your messages. If prospects elect to come to you, she also serves a nice cup of tea or coffee.

Need a centrally located showroom? Adjacent to our reception room is an 18′ x 26′ area suitable for display use. It's a light, pleasant room with a small seating area. Bookcases line one wall, and beaming colorfully from another are the coats of arms of Canada and the Provinces. An adjoining kitchen provides refreshment facilities, and wide doors separating this room from the reception area fold back to allow spill-over or expansion.

Our Chimo Room has accommodated displays of Eskimo art, electronic teaching aids, vocational training tools, and women's apparel, to name a few. If the 'rag trade' is your game, you'll be pleased to note that an amazing number of long-stemmed Southwestern beauties possess both secretarial skills and model proportions. Should a prospective buyer or rep wish to see a garment 'on', the distaff side of our staff will oblige.

If a meeting room is needed . . . voilà! We've a stack of chairs handy and a 16mm sound projector and screen. For groups of only three or four, a portable filmstrip projector may be more suitable and a LaBelle model 16 is a recent acquisition of our office. If your presentation can be adapted for this equipment, you're in business. Blackboards, easels for flip charts, and other special equipment are readily obtainable, if not yet a part of our inventory.

Among our guest stars for the coming season, we expect a Canadian office furniture manufacturer and his southwestern representative for an invitational showing to architects and designers. We've also been approached by the consumer products division of a well-known electronics firm, newly represented in this area and interested in promotional assistance in launching its southwestern probe.

There is no charge for use of our space, nor for the services of our regular staff. The expense of getting your products here and set up, rental of special equipment, promotional material, or paid publicity is entirely your responsibility, however. The extent to which we can supply refreshments or handle production costs and mailing of invitations, etc., depends on a number of factors including the size of your guest list and the lavishness of your hospitality, as well as the priority assigned to promotion of your particular product group. Let's just say our terms are negotiable and our customers usually more than satisfied.

Chimo Room at the Canadian Consulate provides a pleasant meeting ground for buyer and seller. C. M. Forsyth-Smith, Canadian Consul and Trade Commissioner in Dallas, watches while Jimmie Green, (left), author of this article, and a local department store buyer examine a Canadian rug.

Successful presentations require the combined effort of company, local representative (if there is one) and the trade officer assigned to your particular commodity group. Adequate time is essential and varies with the complexity of your undertaking. Give us as much time as possible and commit yourself to the time and effort required to ensure the success of such a promotion.

If your product or service is of the sort that would benefit from the use of our Consulate facilities, contact the Dallas Consul and Trade Commissioner, supplying full information concerning your company, your marketing objective in the Southwest, where you are now selling in the United States, and landed prices. Let us know what type of promotion you have in mind. We may have ideas to offer as well.

Success is not guaranteed. Your product will stand or fall on its quality and competitiveness, and on your sales effort. But, in addition to marketing knowhow, our sponsorship can provide an important, if intangible, 'background' in a locale where your company is unknown. A showing in the Consulate and the Canadian crest on the engraved invitation do lend a certain extra measure of dignity and reliability to your company name.

C. M. Forsyth-Smith chats in his office with Mrs. Green, Commercial Officer, and a manufacturer's representative to finalize plans for an in-office promotion. The Canadian Consulate, centrally located in Dallas, offers a full range of facilities and services to Canadian manufacturers wishing to penetrate the local market.

Show of the Month

"Canada's Computer Specialties Count" turned out to be an apt theme for Canada's participation in the 1971 Fall Joint Computer Conference held in Las Vegas last November. The Canadians counted up 759 inquiries and probable sales of $3.6 million when the three-day show ended.

Nine Canadian companies sponsored by the Department of Industry, Trade and Commerce took part in this vertical trade show attended by 15,289 registered delegates. All company representatives appreciated the arrangements made on their behalf and the design and location of the Canadian stand.

George Mitches, a director of the Education Research Foundation of Middlesex, London, Ont., which exhibited a newly developed information retrieval system, wrote to the Honorable Jean-Luc Pepin:

"On behalf of the directors of the Education Research Foundation of Middlesex we would like to thank you and your Department for their help and guidance in providing us with a facility to exhibit our software computer programs and the data base."

The booths were well manned, some having as many as three or four staff on duty at all times. One representative from I. P. Sharpe Associates cited a good example between domestic and export sales. He said his company encountered difficulty selling one of its portable 251OT teleprinter projectors to a university in Canada, but sold 10 in one order to a small college in the U.S.

The Canadian companies were:

Advanced Transducer Systems Ltd., Rexdale, Ontario

Education Research Foundation of Middlesex, London, Ontario

Electrohome Limited, Kitchener, Ontario

Electronetic Systems Limited, Downsview, Ontario

ESE Limited, Rexdale, Ontario

Garrett Manufacturing Limited, Rexdale, Ontario

Litton Systems (Canada) Limited, Rexdale, Ontario

I. P. Sharpe Associates Limited, Ottawa, Ontario

Instronics, Stittsville, Ontario

Don Ritchie, president of ESE Limited, describes his company's new concept in data transmission equipment while Advanced Transducer Systems Ltd. (rear) draws interested visitors with its displays of magnetic tape cleaners.

J. Gear McEntyre, Canada's Consul General in Los Angeles, chats with lovely Canadian Exhibit hostess Denyse Buchanan after an opening day tour of the nine Canadian booths.

At a pre-fair reception in Las Vegas' International Hotel, M. J. Millyard, Canada's Consul and Trade Commissioner in Los Angeles, presents a Haida Indian plaque to Keith W. Uncapher, president of the American Federation of Information Processing Societies. Thomas White, A.F.I.P.S. Information Director, looks on.

Canada's Trade Fair Program

1972-1973

Department of Industry, Trade and Commerce

The following is a list of trade fairs for the fiscal year 1972-73, beginning April 1, 1972, at which the Department of Industry, Trade and Commerce will sponsor exhibits. Although this program is relatively firm, changing conditions or unforeseen circumstances could mean adjustments. These will be reported in *Canada Commerce*. Canadian manufacturers interested in participating, under government auspices, in any of these fairs should write to the Director, Fairs and Missions Branch, Department of Industry, Trade and Commerce, Ottawa K1A 0H5

1972	WHAT	WHERE	WHEN
Clothing	**Apparel Show, Women's Wear (Solo)** This show of Canadian apparel is in four phases. Buyers from all over the United States attend and, in 1970, bought apparel worth $50 million. About 70 per cent of total Canadian exports of apparel last year went to the United States.	**New York**	**April, June, November 1972 January 1973**
	Apparel Show, Women's Wear (Solo) In 1969 Britain imported clothing worth $300 million of which our share was only $2 million. This show is geared to introduce clothing to the British market on a group basis and establish a marketing base.	**London**	**March**
Electrical, Electronic, Electrical Components and Machinery	**German Industries Fair** This is considered to be the largest industrial exhibition in the world. Canadian exhibits will be in the electronic, electrical and computer fields, where the market appears unlimited because of increasing demand in Europe.	**Hannover**	**April 20-29**
	Budapest International Fair Canada participated in 1970 and 1971. This year our sales and market penetration should increase. Potential for the next two years is expected to reach the $20 million mark. Canada emphasis is on heavy machinery and equipment.	**Budapest**	**May 19-29**
	International Airport Construction and Equipment Exhibition Another first for Canada, designed to help Canadian manufacturers establish a strong position in the European market for airport construction equipment and airport and aircraft servicing vehicles and to demonstrate Canada's capability in all phases of airport technology.	**Geneva**	**June 19-23**
	International Electrical Components (Electronica) Canada participated in 1968 and 1970. In 1970 $60,000 worth of products were sold on the stand, with sales expectations of $1 million during the following 12-month period.	**Munich**	**November 23-29**
Engineering	**4th Offshore Technology Conference** The Canadian exhibit will demonstrate our manufacturing and servicing capability in oceanography and in the offshore petroleum industry.	**Houston**	**April 17-19**
Farm Equipment	**3 in 1 Show/Farm Equipment** A first time show but an excellent followup to participation in Louisville, Omaha, Kansas City of 1971/72.	**Kansas City**	**April 27-30**

1972	WHAT	WHERE	WHEN
Food	**Processed Foods Exhibition (Solo)** Canadian produced and processed foods will be given broader exposure in this highly competitive market.	**Tokyo**	**June**
	In-Store Supermarket Promotion An in-store promotion designed to give broader exposure to Canadian food and beverage products now in limited distribution in Japan.	**Tokyo**	**November**
Forestry	**Seventh World Congress of Forestry** Our participation is designed to promote Canadian forestry equipment and expertise.	**Buenos Aires**	**October 2-16**
Furniture	**Hickory Furniture Mart (Phase 1)**	**Hickory, N.C.**	**April 21-28**
	Hickory Furniture Mart (Phase 2) With exports increasing rapidly, this show is considered a worthwhile venture to increase furniture exports in the medium and high range quality.	**Hickory, N.C.**	**October 20-27**
	International Woodworking Machinery and Furniture Supply Fair A third-time participation to further promote the sale of woodworking machinery, parts and furniture components in this multi-billion dollar market.	**Louisville**	**September 23-27**
Jewellery	**International Jewellery Trade Fair** This is one of the world's largest annual exhibits of jewellery store merchandise. It will be the second time that Canada has participated in this fair.	**New York**	**July 23-26**
Nuclear	**Nuclear Industry Trade Fair (NUCLEX 72)** Canada's third participation in this event will be a joint venture with AECL, who will provide a model of the Pickering nuclear power station.	**Basel**	**October 16-21**
Oceanology	**Second International Ocean Development Conference and Exhibition** This second exhibition in the ocean development field will demonstrate Canadian capability, sell where possible and establish representatives. It will feature vessels and hydrofoils, equipment for pollution control, off-shore petroleum exploration and fish detection, and oceanographic instruments and equipment.	**Tokyo**	**October 4-9**
Restaurant Facilities	**National Restaurant Show** Canada participated in 1970 and 1971. Over $700 million is spent annually in the United States on food service equipment, with a growth of 15 per cent per year.	**Chicago**	**May 20-24**
Textiles	**27th Interstoff (International Clothing and Textiles)**	**Frankfurt**	**May 15-18**
	28th Interstoff (International Clothing and Textiles) Although this fair is closed to the public, attendance by the trade at these two fairs is excellent. The European textile market, valued at $1 billion, is the largest in the world.	**Frankfurt**	**November 21-24**

1972		WHAT	WHERE	WHEN
	Transportation	**International Transportation Exhibition (Transpo)** Technological advances will be stressed in this exhibition that covers transportation in all its aspects.	**Washington**	**May 27-June 4**
	Miscellaneous	**German Industries Fair, International Treffpunkt (Info Booth)** Held in conjunction with the GIF this exhibit will promote German investment and licensing ventures in Canada and Canadian industrial development.	**Hannover**	**April 20-29**
		Solo Fair—Peking A solo Canadian presentation covering all areas of industrial activity to achieve a strong impact in the Chinese market and to provide maximum exposure for our manufacturing and technological capabilities.	**Peking**	**August 21-September 2**
		Zagreb International Autumn Fair An annual horizontal fair to provide continued and broadened exposure of mechanical transport vehicles and equipment and machinery for industry construction, agriculture and mining. Our participation will concentrate on forest-harvesting equipment.	**Zagreb**	**September 7-17**
		3rd Asian International Fair In 1969 this fair was held in Tehran and 40 countries were represented. This will be Canada's third participation. The scope of this fair includes all aspects of industry, agriculture, trade and technological advances.	**New Delhi**	**November**
1973	Clothing	**Apparel Show, Women's Wear (Solo)** This will be the fourth and last phase of the four-part exhibit and is open only to the previous exhibitors.	**New York**	**January**
	Food	**Processed Food Exhibition (Solo)** An exhibition to create an awareness of new Canadian products such as selected convenience foods in fish and meat products.	**London**	**January**
		Processed Food Exhibition (Solo) Designed to promote trade opportunities for Canadian fresh, frozen and processed meat and poultry and improve retail distribution in all lines of Canadian processed foods.	**Stockholm**	**January**
		Processed Food Exhibition (Solo) This exhibition, which will be held in three cities, will bring new Canadian products to the attention of the United States food industry. It is believed these products can compete favorably in price and quality with those of the United States.	**Cleveland, Boston, Los Angeles**	**unscheduled**
	Home, Builders' Materials	**National Association of Home Builders Annual Convention and Exposition** The annual NAHB conference is held in conjunction with this show which in 1970 attracted more than 55,000 visitors from the trade. Sales over the following 12 months were estimated at close to $2 million.	**Houston**	**September 6-17**

Canada Looks for Tobacco Machinery Markets

DON R. MOFFATT
Mechanical Transport Branch

Canada, a world leader in the mechanization of tobacco growing, recently sent a four-man tobacco equipment mission to Latin America to explore the possibility of using Canadian techniques under Latin American conditions.

The team had to examine all aspects of tobacco production from the planting of seed to the packaging of cigarettes and cigars. Members also met the head officers of the tobacco industry. The itinerary was long, arduous and sometimes frightening. On occasion, the mission had to travel by four-wheel-drive vehicles or by air in small aircraft as it pushed into the innermost tobacco growing regions in South and Central America to assess existing growing methods and problems.

By the time they had completed their task, members had investigated the main tobacco-growing regions in five countries: Argentina, Chile, Guatemala, Honduras and Nicaragua.

Argentina—There are about 70,000 hectares (173,000 acres) of available tobacco land in the Argentine, with the provinces of Corrientes, Jujuy, Misiones and Salta each having an equal share in 90 per cent of the total. Annual production of tobacco totals about 145 million pounds.

Misiones and Corrientes, in northeastern Argentina, grow mainly dark, air-cured tobaccos (Criollo Misionero and Criollo Correntino) in labor-intensive operations on very small plantations.

In the provinces of Salta, Jujuy and Tucuman, which form the northwestern corner of Argentina, flue-cured virginia tobaccos are grown on 30,000 hectares (about 74,000 acres). Salta and Jujuy have the most capital-intensive farms and offer the greatest opportunity for mechanization. About 75 per cent of the farms are approximately 40 acres, 15 per cent about 100 acres, and a few are nearly 1,000 acres.

Chile—The tobacco-growing region of Chile extends 200 miles south and north of Santiago. Here, 3,000 hectares (about 7,400 acres) of tobacco are grown annually under the direction of the Compania Chilena de Tabacos, a private monopoly which controls production and marketing. Chilean production is about six million kilograms a year.

The average farm size is about seven hectares (17 acres) and the crop is roughly 50 per cent burley, 33 per cent virginia, 15 per cent dark-fermented and 2 per cent oriental.

Honduras—The San Pedro Sula area grows about two thirds of the 7,000 acres of tobacco produced in Honduras. The rest is grown in the Tegucigalpa region.

These two regions are two distinct tobacco-equipment markets. The San Pedro Sula area grows mainly flue-cured virginia and burley on farms with an average size of 15 acres. In the Tegucigalpa area, cigar tobacco is predominant (i.e. rubber tobacco, filler and wrapper) with the majority of farms being around 30 acres.

Guatemala—Some 8,000 acres of tobacco are grown in sandy soil, the bulk of it along the Motagua river in the Jalapa valley in the south and winding east to the Caribbean. Burley is grown predominently in the flat, irrigated Jalapa valley and sun-dried virginia is confined to the hills and rolling land where irrigation is provided by mountain streams.

Tobacco growing in Guatemala is controlled by two cigarette firms—Tabacalera Nacional and Tabacalera Centro Americana. As in Chile, tastes have gradually changed, resulting in the phasing out of local dark Copan tobaccos and replacing them with burley and virginia tobaccos. There is a large number of small farms of five acres or less but there is a tendency toward grouping of such farms.

Nicaragua—There are two significant tobacco-growing regions in Nicaragua, one centered around the town of Esteli, 300 kilometers north of Managua, the other near the town of Jalapa on the Honduran border. The terrain is flat with heavy clay soils at Esteli. Only cigar tobaccos are grown in Nicaragua and the total area in production does not exceed 500 hectares.

Tobacco Industry Structure—In Chile, Guatemala, Honduras and Nicaragua, cigarette companies called tabacaleras directly or indirectly control nearly all tobacco production. Each year growers contract to grow

→

On the left, three members of the tobacco mission (Don Moffatt, author of this article, Wilfred Hill and Frank Castle) study planting conditions in a Chilean valley at the foot of the Andes. Water for the irrigation is gravity-fed from natural sources in the mountains.

a specified acreage for the tabacaleras who advance financing as specified work units are completed (for instance, after an acre is plowed) to be applied against the crop harvested. The tabacaleras employ agronomists to provide technical expertise on soils, growing techniques, and curing methods. They also sell seeds, fertilizers, herbicides, pesticides and equipment to the farmers.

Through this total involvement with the growers, the tabacalera is able to control production of tobacco from a seed until it is manufactured into cigarettes and marketed. Any attempt to market tobacco equipment in these countries would have to have the approval and the support of the tabacalera. But these companies are interested in promoting greater mechanization to improve the quality of tobacco produced and can be considered allies of the equipment manufacturer.

In Argentina, however, the tabacaleras are not as important in the provinces of Salta, Jujuy and Tucuman as they are elsewhere in Latin America. The growers in these provinces have formed co-operatives called camaras to provide services to farmers. They act as a forum for an exchange of information on marketing conditions and technical aspects of tobacco growing, including mechanization. The camaras also own and operate secondary processing plants to de-stem, thresh and re-dry tobacco. These facilities give insurance against inadequate prices being offered by the domestic cigarette manufacturer because the tobacco can be processed to a stage where it is exportable to other markets, thus strengthening the farmers' bargaining power. Compared with those in Canada and the United States, Argentinian farmers are less vulnerable to the price policies of the cigarette manufacturers and leaf buyers.

The camaras are interested in receiving information on all types of tobacco equipment, with particular emphasis on machines that can cut the cost of production. They are willing to approach Argentina's Department of Agriculture to obtain the necessary approvals to import machines. They also wish to negotiate tentative licensing agreements contingent upon satisfactory performance under Argentine conditions. If the equipment proves satisfactory, the camaras are able to locate local manufacturers of related equipment willing to enter into licensing arrangements or partnerships.

Mechanization—The rate of mechanization is increasing rapidly in Argentina but not so fast in Chile and the Central American countries. Labor, though cheap by North American standards, is not as productive and is becoming more expensive as countries legislate minimum wage rates and restrict immigration from lower-wage countries.

The quality of tobacco produced is suffering because of indifferent workers. Growers in Argentina say poor leaf selection while picking and antiquated curing methods have resulted sometimes in losses of almost one third of the crop. In Nicaragua, a leaf exporter purchased tying machines as insurance against workers who don't turn up at the required time. These factors are encouraging

Clay adobe drying kilns in the Province of Salta in Argentina. These are wood-burning kilns with metal roofs and are not insulated. Other structures would have to be built if Canadian drying equipment is to be used there.

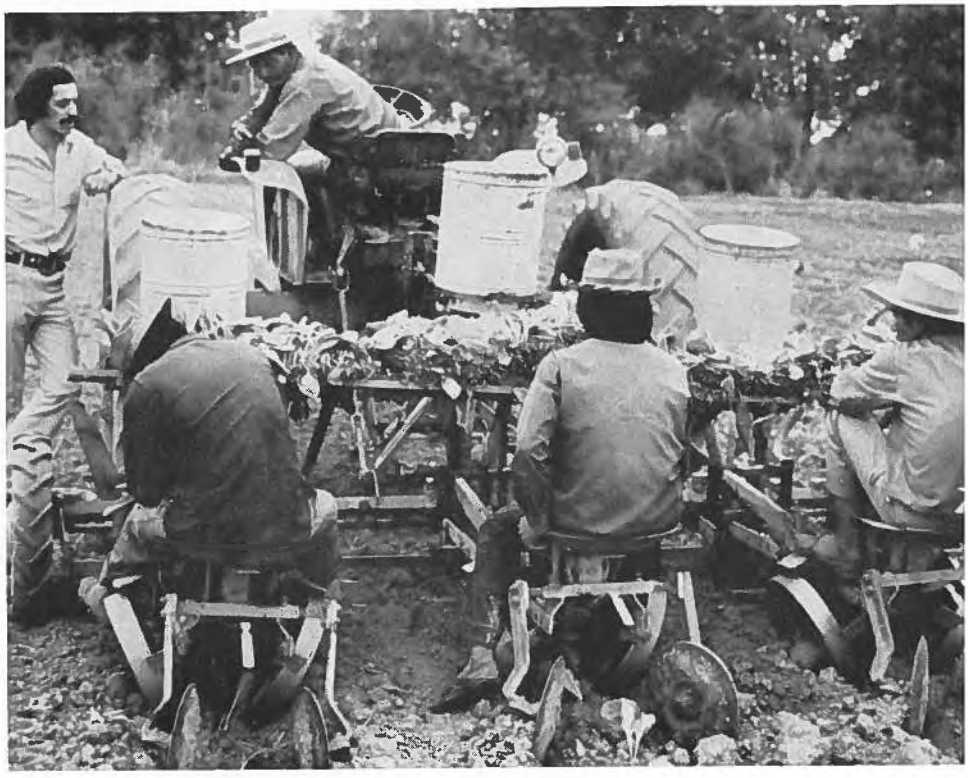
Members of the Mission

Wilfred E. Hill,
Assistant Manager,
Delhi Foundry and Farm Machinery Ltd.,
Delhi, Ontario.

Gene J. Stampfer,
General Manager,
Balthes Farm Equipment Manufacturing Ltd.,
Tillsonburg, Ontario.

Frank R. Castle,
Vice-President & General Manager,
Newcor Canada Ltd.,
Windsor, Ontario.

Don R. Moffatt,
Mechanical Transport Branch,
Department of Industry, Trade and Commerce,
Ottawa, Ontario.



There are very few transplanting machines in use in Argentina, as most of the work is done by hand. This is one of the most advanced machines used here, and a man usually follows to fill in spaces missed by the machine.

Latin American tobacco growers to mechanize in order to keep pace with other growers throughout the world.

Most countries in Central America are rapidly expanding production of cigar tobaccos to supply domestic and United States cigar manufacturers in an attempt to capture the U.S. premium market that was supplied with Cuban cigars prior to the United States embargo against Cuban products. Honduras has achieved considerable success in developing a cigar industry by growing Cuban-type cigar tobaccos for local production of cigars. Guatemala and Nicaragua are attempting to duplicate the Honduran program. This accelerated program has created a need for specialized cigar tobacco harvesting equipment, particularly tying machines.

Opportunities—Growers in Argentina are experimenting with all phases of tobacco mechanization, including planting, cultivating, harvesting and curing equipment. Estimates are that 700 transplanters will be purchased in the provinces of Salta and Jujuy by 1980. Spraying, cultivating and harvesting methods must mechanize if growers in Argentina are to remain competitive in the face of rapidly increasing wage rates.

Curing methods need improvement if better quality of tobacco is to be produced. Canadian curing systems could eliminate their problems of how to get the leaf "in case" for easy handling. The recent extension of electricity to 75 per cent of the farms and the availability of gas in most regions present opportunities for curing equipment that did not exist five years ago.

Argentina has been sharply curtailing imports in recent months and the mission met with Senor Di Rocco, the Minister of Agriculture, to discuss this problem. He expressed considerable interest in the need for tobacco mechanization to increase production and quality and reduce cost. This meeting was very encouraging in view of the present import restrictions and high tariffs on agricultural equipment, in some instances as high as 200 per cent.

In Chile, Canadian curing equipment, humidifiers and tying machines are being used successfully. There is a demand for more such equipment but additional purchases are likely to be spotty until the policies of the new Government have crystallized and become operational. Most farms are being nationalized, a policy that is resulting in a certain disruption of production because of the change in ownership and management personnel.

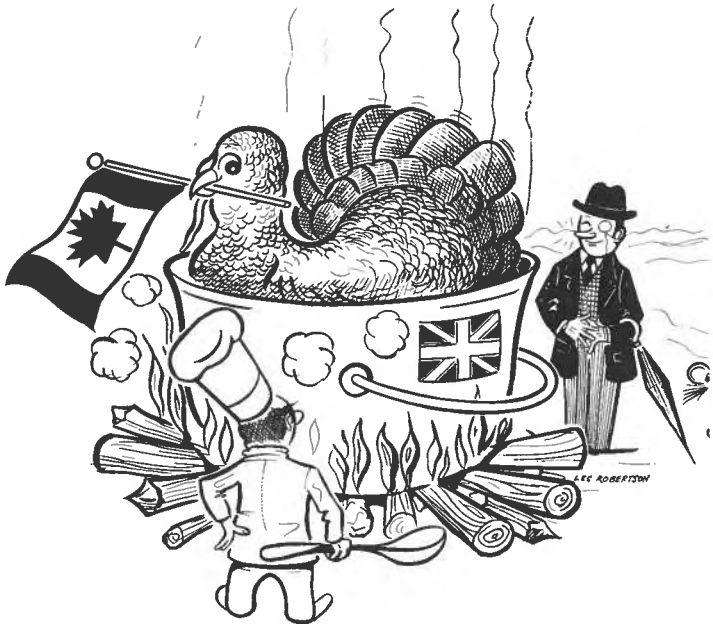
Hilly conditions in Guatemala present a challenge to mechanization but in certain areas opportunities may develop for manufacturers of tillage, transplanting and harvesting equipment. Tying machines, however, have the most potential for the immediate future.

In Honduras, demand exists for irrigation systems, including pumps, sprinklers, couplings and pipe. There is also interest in plows, rotary mowers, transplanters and tying machines, but the rate of mechanization is not rapid. Harvesting machines would not likely be practical in this rugged terrain.

In Nicaragua, particularly in the Esteli region, most growers are mechanizing their operations. Transplanters, sprayers, cultivators and sprinkler irrigation systems are in use. The Nicaraguans are also experimenting with curing and humidifying equipment and are using Canadian curing systems that do not require electricity.

Further information on these trade matters may be obtained from the Mechanical Transport Branch, Department of Industry, Trade and Commerce, Ottawa, or the Trade Commissioner offices in Buenos Aires, Argentina; Santiago, Chile; and Guatemala City, Guatemala.

Let the British Cook Your Turkey



Canada can now sell uncooked poultry to Britain; this article tells you how this came about and what it means to Canadian producers.

B. M. WHITE, Commercial Secretary (Agriculture), London

In 1970 English poultry suffered from a severe outbreak of fowlpest. Efforts to combat the disease with conventional veterinary medicine failed to control its rapid spread and within months it had reached epidemic proportions. The main weapon in the veterinary arsenal was a dead vaccine. In Canada and many other countries, a live vaccine is used and because of this British veterinary authorities excluded imports of uncooked poultry from those countries. In fact, imports were allowed from only two other nations, Denmark and Eire. When, however, it was evident that poultrymen would have to employ the live vaccine to check fowlpest, new prospects for Canada became apparent. Once live vaccine was used in Britain, there no longer existed a veterinary barrier against Canadian uncooked poultry.

In December 1970, as soon as live vaccine was authorized for use here, Canada approached the English Ministry of Agriculture, Fisheries and Food for permission to sell to this market. We were not the only ones to realise the implications of the use of live vaccine; other potential exporting nations did as well. The poultry industry in Britain is dominated by eight large producers who account for the major share of the poultry sold here. Quite naturally, they were concerned with the prospect of a market wide open to imports from all sources. Their concern was noted by the Ministry responsible.

Veterinary Considerations—One major source of comfort to domestic producers was the strict animal health regulations governing imported meat products. When it was decided that uncooked poultry imports would be allowed from countries other than Eire and Denmark, the Ministry of Agriculture, Fisheries and Food drew up a list of veterinary standards. Among the most difficult requirements was one that required that the exporting nation have in force a system of ante- and post-mortem inspection. At present it appears that only a few countries other than Eire and Denmark have the veterinary standards and/or the interest to sell to this market. These countries include Canada, the United States and Holland.

One other veterinary requirement of particular interest to exporting firms is that which requires that the carcasses not be accompanied by offals. The reason for the ban on offals in the carcasses is that poultry diseases can be carried in offals and, since there is no way of ensuring that the housewife will not discard them, there is a danger of spreading some form of poultry disease. However, separate shipments of offal may be allowed for processing in Britain.

Minimum Import Price and Levy System—In an effort to prevent the home market from being inundated with low-priced uncooked poultry, the Ministry, in consultation with the exporting nations concerned, prepared a schedule of minimum import prices (see the table). In order to maintain the minimum import price levels, a variable levy scheme has been designed to operate in conjunction with the MIP system. Under the levy ar-

rangements, the lowest c.i.f. selling price of any uncooked poultry product quoted by a foreign exporter, if it is below the MIP for that product's category, will attract a levy to apply the following week. Moreover, the levy will also apply to shipments whose c.i.f. price is equal to or greater than the relevant MIP.

Market Potential—These, then, are the conditions under which imports are permitted. If you are wondering whether or not it is worth your effort to attempt to sell here, the answer is a qualified yes. The potential appears to be limited to one category only—heavy turkeys over 20 pounds in weight. The British poultry industry is highly competitive and highly rationalized. Some large companies have succumbed to competition and withdrawn from poultry production. Those that remain, however, have ensured that Britain is 98 to 99 per cent self-sufficient in poultry supplies.

Imports of poultry products into Britain have declined in the past five years with the exception of 1970 when they totalled 6,200 long tons. Undoubtedly the increased figure in 1970 can be largely discounted because of the poultry epidemic.

Although imports have been declining, per capita consumption has risen from 16.6 pounds in 1965 to a provisional figure of 23 pounds in 1970. A quick calculation will show that imports form an insignificant percentage of total consumption.

With a home industry of the size indicated by these figures it is surprising that there is any potential at all for Canadian exports, and yet there is. For some reason, British producers have not given enough attention to that segment of their industry that raises heavy turkeys. Perhaps the explanation lies in the desire by producers to minimise the risk of disease during this period of fowlpest by marketing their birds as soon as possible. The fact remains that the catering trade needs large turkeys above 20 pounds in weight. This is due largely to the fact that poultry is no longer only for festive occasions but is now eaten throughout the year. But it is not difficult to foresee a move by producers here to fill the void with their own production. Therefore, interested Canadian exporters should begin immediately to examine this market—if and when local producers react, it could be too late. There is no guarantee that we can maintain our competitiveness in Britain for even 12 months.

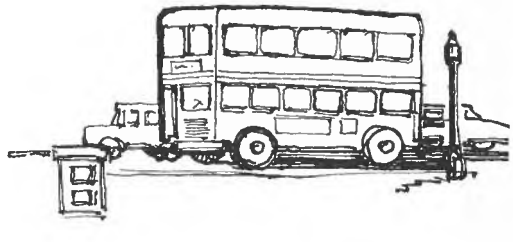
If an exporter wishes to sell here he should send price and product information to this office. We will relay it to licence holders in the trade. Only firms that have obtained licences from the Ministry of Agriculture, Fisheries and Food to import uncooked poultry are allowed to do so.

It is unlikely that any sizable sales of other uncooked poultry products can be made. The MIPs are set high enough to protect the home industry.

MINIMUM IMPORT PRICE LEVELS FOR POULTRY MEAT

Tariff heading 02.02	Minimum import price level (new/pence per lb.*)
Dead poultry (that is to say, fowls, ducks, geese, turkeys and guinea fowls), fresh, chilled or frozen:	
I. Carcasses:	
1. With giblets	
(1) fowls	16
(2) turkeys	20
(3) ducks or geese	19
(4) guinea fowls	35
2. Without giblets:	
(1) fowls	17
(2) turkeys	21
(3) ducks or geese	20½
(4) guinea fowl	36
II. Poultry parts:	
1. Pre-packed parts additionally wrapped within the outer carton or container:	
(1) Boned or boneless:	
(a) dark poultry meat	31½
(b) light poultry meat	43
(c) mixed dark and light poultry meat	39
(2) Other:	
(a) fowls	
(i) halves or quarters	19
(ii) wings	12
(iii) drumsticks	29
(iv) breasts	25½
(v) thighs	16
(b) turkeys	
(i) halves or quarters	22
(ii) wings	20
(iii) drumsticks	22
(iv) breasts	30
(v) thighs	25
(c) ducks or geese	24
(d) guinea fowls	41
2. Bulk-packed parts not additionally wrapped within the other carton or container:	
(1) Boned or boneless:	
(a) dark poultry meat	30
(b) light poultry meat	41½
(c) mixed dark and light poultry meat	37½
(2) Other:	
(a) fowls	
(i) halves or quarters	17½
(ii) wings	10½
(iii) drumsticks	27½
(iv) breasts	24
(v) thighs	14½
(b) turkeys	
(i) halves or quarters	20½
(ii) wings	17
(iii) drumsticks	19½
(iv) breasts	27
(v) thighs	22
(c) ducks or geese	22½
(d) guinea fowls	38

*At exchange rate of 1 new pence = 2.48 cents



Plastics and the Automotive Industry

More and more car parts are being made of plastics, and independent suppliers are much in demand. Improvement of current polymers rather than new ones may be key to future sales.

JAMES S. A. SOTVEDT
Consul and Assistant Trade Commissioner, Detroit

Plastic dashboard (right) and light-housing unit are now standard features of cars being assembled at the General Motors of Canada Ltd. plant at Oshawa, Ont. The average car rolling off production lines today contains about 115 pounds of plastic. By the mid-seventies, the plastic content is expected to be about 250 pounds and by 1980 about 600 pounds.

Fierce competition to supply materials for the automotive industry is not new. Always cost-conscious, the automobile companies are continually seeking cheaper, more versatile substances. During the past decade, this search has caused the industry to turn more and more to plastics, and the trend is accelerating.

In fairness, one should put this matter in perspective by saying that the automobile will doubtless continue to be chiefly a metallic product. Nevertheless, plastic consumption per car is estimated to be increasing from 10 to 20 per cent annually and, if technology and knowledge in the field increase as expected, plastics could become a prime engineering material for the industry by 1980.

If you look at the interior of the average 1971 car, almost 90 per cent of what you see is plastic. The average car of this year contains about 115 pounds of plastic—up from 20 pounds in 1960—and this is expected to be 250 pounds by the mid-seventies and 600 pounds by 1980. Working on these figures, it is estimated that total consumption of plastics in the automotive industry in 1980 will be in the region of nine billion pounds.

Some of the major reasons for changing to plastics are: cost savings, increased design flexibility, weight reduction and improved performance. Although plastic compounds are often expensive, plastic parts may be cheaper than metal. Tooling is one area in which savings are apparent. Another is by replacing labor-intensive assembly of multi-piece construction with one-piece plastic redesign. Still further savings result from the lack of secondary operations, such as trimming, buffing and polishing.

One of the meanings of the word plastic is "capable of being easily moulded". Because of this characteristic, plastics have obvious attractions for designers. Plastics can be easily, quickly and simply formed to a desired shape; intricate designs in metals are limited by physical properties of the materials and often must be performed in a number of separate operations. Weight reduction through the use of plastics is also important. Obvious savings can be made in the shipping and handling of parts. In addition, plastics often make the finished product more efficient.

If the consumption of automotive plastics is to meet or exceed industry expectations, it will be mainly the result of these factors: improvements in available compounds and efficiencies, and innovations in production techniques.

In all probability, fewer and fewer new polymers will appear in future. Producers will concentrate more on improving the characteristics of current compounds with the objective of improving acceptability and reducing costs. Fiber-reinforced thermoplastics for instance, is one line of development. Reinforcements and fillers have been used in thermo-setting plastics for many years and the increasing use of them in thermoplastics has been encouraging. Typically, thermoplastics with approximately 30 per cent glass fiber filler have improved physical properties, including breaking strength, stiffness, resistance to creep under load, impact resistance and increased temperature limits; and dimen-

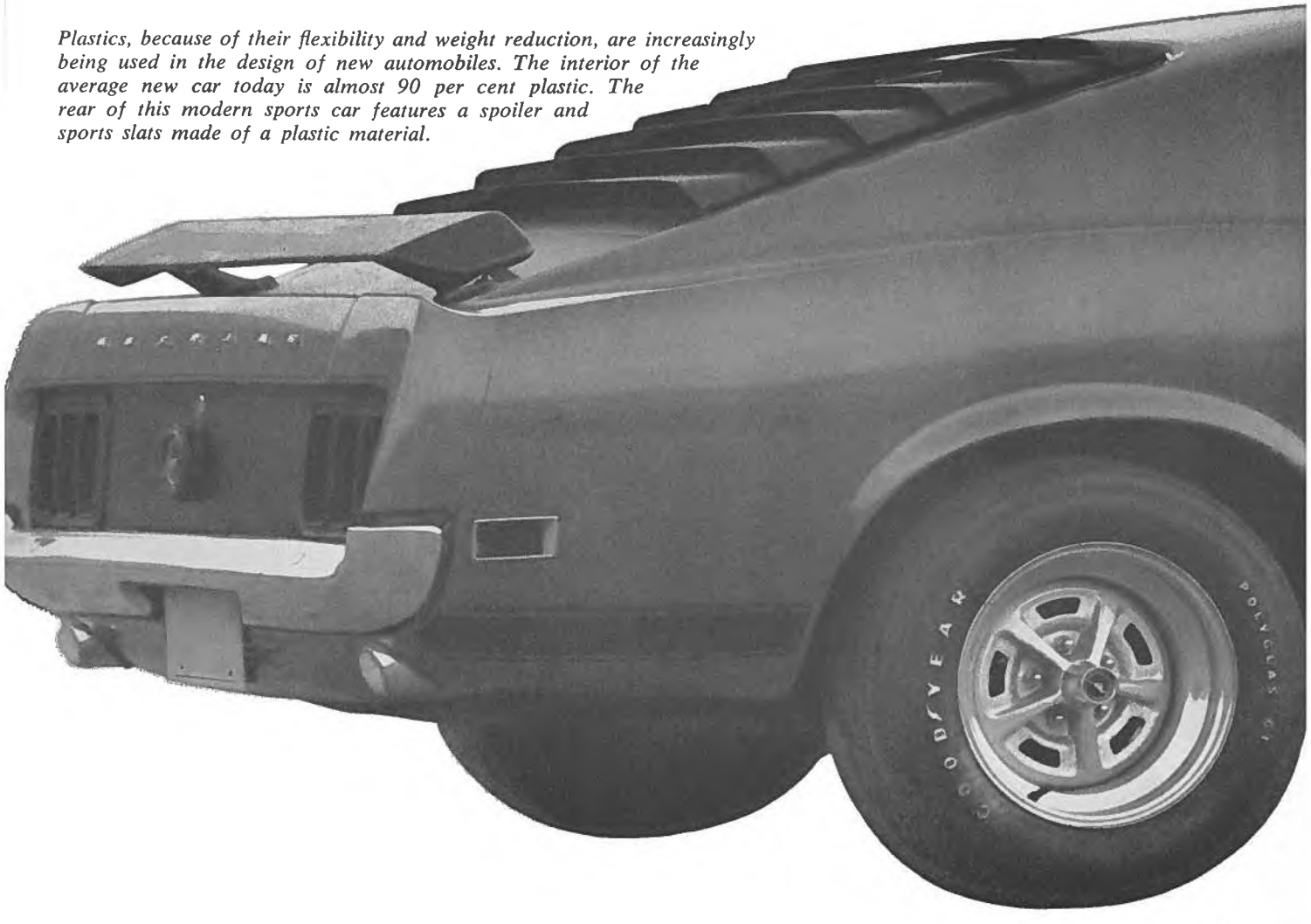
sional changes under heat and moisture are reduced by as much as 50 per cent. Significantly, fiber-reinforced plastic (FRP) applications in 1971 cars number 200, compared with 110 in 1970.

Many new developments are occurring to spur the use of plastics by machinery specialists in the field. Perhaps the most heralded has been the "electron beam curing process" discovered by the Ford Motor Company. This method of curing paints and coatings permits perfect color matchups between adjacent plastic and metal parts—a constant headache when using other methods. More important, parts move past the electron beam curing stations at 15 feet a minute and at room temperature. Conventional heat curing requires application of 180°F for 30 minutes. Similar developments could conceivably hasten the "coming out" of plastics as primary engineering material.

Some of the plastic parts in 1971 cars are: bumpers, grills, light housings, windshield washer bottles, ventilation ducts, battery boxes, fender liners, dashboards, door panels, sun visors, arm rests, steering wheel and dashboard padding, seats, carpet backings, speed control parts, air cleaner parts and fuel tanks. On some special models, trunk lids and hoods are FRP but, except for the Corvette, little progress has been made in replacing sheet-metal body panels as yet.

You might by now be asking: "How can I get some of the action?" Supplying auto parts is, for the most part, different from any other business. Efficiency and reliability are demanded but the most important element is attitude. Automotive buyers demand regular attention by qualified representatives and new suppliers must be prepared to devote a great deal of time and effort to their Detroit business. Regular calls by company representatives or manufacturers' representatives, or both, are a must. Furthermore, if your company intends to use its own personnel, they should be located within easy reach of the customers. The Canadian Consulate maintains extensive lists of contacts and would be pleased to recommend a number for your consideration. It can also offer a schedule of appropriate calls to familiarize your representatives with the market. A visitors' office in the Consulate is available during your stay in Detroit.

The Ford Motor Company has the world's largest plastic parts plant in Saline, Michigan, but still uses some 300 independent plastics suppliers. With captive industry production at about 20 per cent of requirements, there are, and will continue to be, many opportunities for capable independents. Why not you?



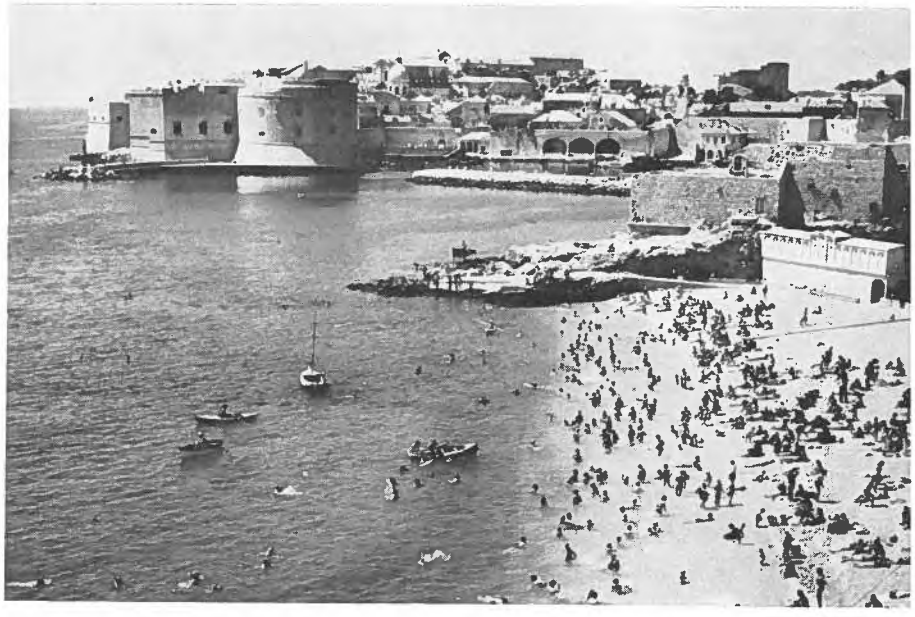
Plastics, because of their flexibility and weight reduction, are increasingly being used in the design of new automobiles. The interior of the average new car today is almost 90 per cent plastic. The rear of this modern sports car features a spoiler and sports slats made of a plastic material.

Meccas for Tourists

Yugoslavia and Greece need hotel/motel equipment and furnishings, and investors to develop their booming tourist industries.

Yugoslavia

JEAN ROY
Assistant Commercial Secretary,
Belgrade



Sunbathers and swimmers enjoy a sandy Adriatic beach at Dubrovnik, Yugoslavia, where the $20 million Babin Kuk hotel complex is being built. When complete, the project will have nine hotels with a total of about 5,000 beds.

Yugoslavia, located on the main international tourist routes, is easily accessible by road from most West European countries. The country has great natural beauty, warm and clear coastal waters, mountains, lakes, spa resorts and historic monuments. The climate ranges from mediterranean on the Adriatic coast to continental and alpine inland, favorable for both summer and winter tourism.

The flow of tourists began to develop only in 1955. In 1956, foreign tourists spent 1.3 million nights here, compared with 26 million in 1970. Approximately 80 per cent of these came from Western Europe and 15 per cent from Eastern Europe. Seaside resorts are the chief attraction. As might be expected, most foreign visitors check into hotels, although the percentage who did dropped from 59.6 in 1965 to 53.9 in 1969. Caravan camps are becoming more popular, with the percentage of foreigners using these facilities rising from 17 in 1965 to 21.2 in 1969. Private rooms are the next most popular, with just over 19 per cent of foreigners favoring this type of accommodation in each of the two years.

Local tourists also seem to prefer hotels, 31.9 per cent of them in 1969 compared with 25.9 in 1965. Caravan camps, however, do not appear to be catching on very quickly, as only 4.7 per cent of Yugoslavs used them in 1969, compared with 2.6 per cent in 1965.

Since 1957 the Government has helped to develop tourist facilities through a special fund, and investment in the industry has risen steadily. In 1969, it reached $145.3 million, 8 per cent of the total investment in the economy. The number of hotel beds available has increased significantly, to just over 153,000 in 1969 from 93,500 in 1965. By 1975 there should be approximately 966,000 available.

It is estimated that the number of nights registered by foreign tourists in 1975 will be about 48 million. Domestic tourists would register about 36 million nights, compared with 26 million in 1970. In 1970, visitors from hard currency countries spent $400 million here. In 1975 they are expected to spend $900 million.

Selling to the Yugoslav tourist industry presents certain difficulties because of the many highly skilled engineering, construction and furniture firms. Yugoslav firms are reluctant to import goods and services if they are available domestically, because hard currency is difficult to come by. The Yugoslav dinar is not now a convertible currency and even many large firms suffer from a shortage of dinar liquidities.

But by offering long-term financing, many foreign firms, including Canadian, have been able to successfully penetrate the market. This financing allows Yugoslav firms to purchase foreign goods and services even when they are available domestically.

Investing in a Yugoslav hotel enterprise by acquiring a portion of the equity is another way of sharing in the booming tourist industry here, and foreign participation of this sort is encouraged. The percentage of foreign ownership, however, is limited to 49 per cent and a minimum investment of U.S.$100,000 by the foreign partner is required.

Two projects on the Adriatic coast, the Babin Kuk hotel complex in Dubrovnik and the Hotel Bernardin project in Piran, were approved in June last year and will be financed by the International Bank for Reconstruction and Development.

The Babin Kuk complex will include nine hotels with about 5,000 beds; one hotel will be in the luxury class with 300 beds, four will be class A with 1,700 beds and the remainder class B with 3,000 beds. Total cost of the project is estimated at $20 million.

The Bernardin project will include a first-class hotel of 400 beds

and annex hotels with a total of 2,100 beds. Cost of this project is estimated at $10 million.

The Yugoslav construction industry has the capacity to build these projects but it is expected that foreign contractors will submit bids. The contracts for construction and equipment will be grouped to form economic bid packages and will be awarded after international competition. Yugoslav manufacturers bidding on equipment will be given a preferential margin of 15 per cent of the c.i.f. costs or the applicable customs tariffs, whichever is lower.

The specifications for these two international competitions are expected to be issued soon. For additional information on these projects, or on any other aspect of the industry, Canadian firms should contact the Commercial Secretary, Canadian Embassy, Proleterskih Brigada 69, Belgrade, Yugoslavia, or the Project Development Division, Marketing Development Group, Department of Industry, Trade and Commerce, Ottawa.

Greece

CLIFFORD SWIFT, Commercial Officer, Athens

Byron's "isles of Greece" and Homer's "wine-dark seas" are being discovered and enjoyed by an increasing number of vacationers as tourism in Greece gains momentum.

This country of 51,000 square miles, with a population of 8.8 million (mostly rural) has many natural and historical features to attract visitors, but it is only in the last two decades that a concerted effort has been made to develop a tourist industry. In 1951, the Government set up the Greek National Tourist Organization (NTOG) to co-ordinate public and private efforts and services in an attempt to implement a national policy on tourism. One of NTOG's first tasks was to initiate a chain of relatively simple but modern hotels and motels known as Xenias. These were operated by personnel trained in NTOG schools or leased to local operators.

More recently NTOG has sponsored the building of yacht marinas, large camping sites and golf courses. It has also helped with approach roads, and the installation of electricity, telephone, water and sewage disposal systems in private development areas. Last year the organization's budget was $21.6 million.

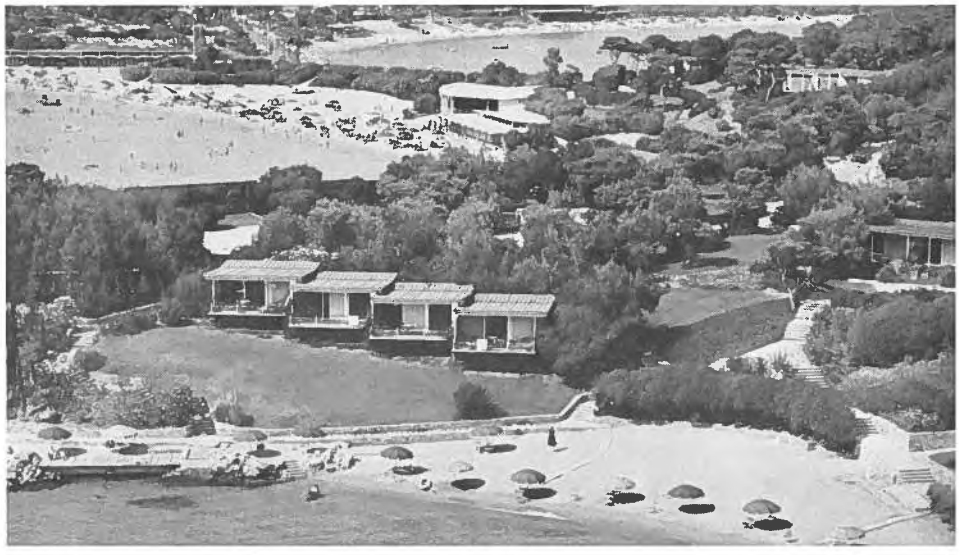
There are six classes of hotels in Greece, ranging from luxury to class E. The top three categories offer central heating and private baths or showers, and air conditioning is standard in the top two. But there is a great shortage of accommodation comparable to North American standards and the NTOG has approved designs and granted financial aid for new hotel construction to make 57,000 more beds available in 1974.

Since 1960 the number of tourists coming to Greece has increased by an average 27 per cent a year. In the first eight months of 1971 there were 1.6 million foreign visitors, compared with 1.2 million in the same period in 1970. Foreign exchange receipts in the first eight months of last year amounted to $184.4 million, compared with $117.4 million in the same period in 1970. About 17 per cent of tourists are from the United States and 55 per cent from Europe.

To encourage foreign investment, the Government offers several incentive programs. These include customs duty exemptions on certain items of hotel equipment and furnishings, and loans of between 30 and 70 per cent of the total cost of a proposed project. The percentage varies according to the area. The loan, which is for a maximum of 18 years, carries an interest of 4.5 per cent for the first five years and is at the current bank rate thereafter. A foreign firm can also be eligible for other tax concessions and for repatriation of capital and profits.

The extent of foreign participation in tourism is not known, but Hyatt House, Air France and the Holiday Inn organization are building or planning to build hotels here, some of them in consortium with local interests. So far, Canadian participation has been disappointing. Some of the current projects, however, both private and NTOG-sponsored, present excellent opportunities for investment and equipment. The first Xenia exhibition will be held in Athens in March this year and Canadian suppliers of hotel and motel equipment and furnishings and of recreational and sports equipment could well find it a rewarding showplace. Write to the Commercial Secretary, Canadian Embassy, 4 Ioannou, Ghennadiou Street, Athens 140, and we will be glad to help you in any way we can. The tourist industry here is expanding rapidly, but has some way to go to catch up to other Mediterranean areas.

Nestled on the seashore about 15 miles from Athens, this modern resort is one of many that have been developed with the help of the Greek National Tourist Organization. The Government is seeking ways to expand tourism and is encouraging foreign investment in projects by offering several incentive programs.



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.

Fiberglass bathtubs, shower stalls

American company seeks Canadian licensee to manufacture and market in Canada only its fiberglass reinforced plastic bathtubs and shower stalls. The units are molded in one piece, are available in low- and high-cost quality, and are suitable for homes, apartments, condominiums, industrial buildings, motels, hospitals, mobile homes, etc. They can be produced in a variety of colors and are claimed to be easy to install. Molds will be made available to the licensee. Literature available. **Item 2529**

Folding trailer

French firm is offering under licence the production and marketing rights in Canada and the United States for its expandable folding trailer. The frame is wholly metal and made of cold-drawn steel sections. The body consists of a bottom and roof of plywood, weatherproofed and very heavily coated with polyester paint. The caravan can be erected or refolded in about five minutes. On the road, the vehicle takes up very little space—width 66 inches; height 43 inches. Literature available. **Item 2530**

Oxygen resuscitator

German inventor seeks a Canadian licensee to manufacture and market in Canada and the United States its oxygen resuscitator for emergency use. In this new equipment the pressure of compressed gas is reduced by means of a thin metal capillary connecting the inside of the cylinder with the atmosphere. One advantage of this method is that no reduction valve or gas flowmeter is required, thus greatly reducing the unit cost. In addition, the equipment is entirely explosion-proof. Literature available. **Item 2531**

Audio-visual teaching equipment

Dutch company offers under licence the Canadian production and marketing rights for its audio-visual equipment for classroom teaching. The equipment consists of an instant response system built into a console to handle from two to thirty-six students at a time. The answer stations have four mechanical or electrical optional choice buttons. The main instrument contains four percentage meters which indicate the responses. On one model the answer station is equipped with green and red signal lights which allow direct feedback of results to the students. The instrument is extendable by adding a counting panel and/or a printer for registration purposes, and a learning box equipped with a codifier and a decodifier for fully automated programing. Literature available. Item **2532**

Vehicle seat

British firm offers under licence the Canadian manufacturing and marketing rights to its new vehicle seat. This seat is designed to conform to and support the human body, and to give a shock-free and level ride. The basic principle of this seat is its two-point suspension: a strap of PVC/nylon is slung between two horizontal bars, similar to a deck chair. On the sling rests a "U"-shaped regulator bar which is pivoted in the forward position and on which the seat cushion is mounted. A contoured cushion provides support for the back. Both cushions are filled with polyurethane foam. Literature available. **Item 2533**

Attachment for mowing machines

American inventor offers a licensing arrangement to a Canadian manufacturer to produce and market his mowing machine attachment. This device, designed for sickle-type mowing machines, clears the mowed material away from the uncut crop. It consists of a rotatable cone-shaped roller which is attached to the outer end of the cutter bar. The rolling action is claimed to prevent dragging and bunching of the hay. Literature available. **Item 2534**

Electro-mechanical linear actuator

British firm offers under licence the Canadian manufacturing rights to its electro-mechanical linear actuator. This unit consists of a rotating electric motor in conjunction with a screw and nut mechanism to translate rotary motion into linear. Designed specifically for short stroke and fast speed applications, it can be used wherever there is an application for a pneumatic or hydraulic cylinder. An unusual feature of this actuator is that the length of stroke is determined without the use of mechanical stops. It is established by adjustable internal limit switches which terminate the electric supply and act as an automatic brake providing a controlled deceleration. Literature available. **Item 2535**

Low loader trailer

Australian firm offers a licensing arrangement to a Canadian manufacturer for the production of its low-loader trailer which can be expanded in width from 8′ 2½″ to 12′. The carrying capacity is 60 to 70 tons, depending on the number of axles. The claimed advantages of this invention are a greater payload when trailer is widened and greater stability for wide loads. Also, when the trailer is closed and empty on a return trip, police escort and route restrictions are not necessary. Literature available. **Item 2536**

Hoisting equipment

French firm is seeking a licensing arrangement with a Canadian company to manufacture and market its one-man, hand-propelled and hydraulically-steered travelling elevator. This device consists of a pair of vertical uprights mounted on a platform with casters and a suspended cage which slides up and down the uprights. The motion of the cage and the structure is controlled from the cage. The structure can pivot on the spot and change direction. Also, a motorized installation is available for forward and backward motion. Literature available. **Item 2537**

Combination lock

Italian inventor offers for licence the production and marketing rights to his new combination lock which does not require a key. Three drums are embedded in an outside knob. The 27 letters or numbers on the three drums provide 19,682 possible combinations, which are reached by rotating the bar in the middle of each drum. The combination is required only to open the door from the outside and is automatically cancelled

when the door opens. Parts are made of brass and tempered steel. Gears for latch sliding are made of nylon. Literature available. **Item 2538**

System for feeding soldering wire

American company seeks Canadian licensee to produce and market in Canada and Britain its equipment for feeding soldering wire (bronze, silver, lead) accurately and economically. The system is composed of a solid state controlled automatic multi-wire feeder applied to stationary or rotating fixtures, and an electrical control package. The machine is used for all applications where soldering and brazing are required. Its purpose is to simultaneously control the amount of wire fed and the heating temperatures required. It is claimed these machines reduce material and labor costs and increase productivity and quality. Literature available. **Item 2539**

Shaft-scaffold device

Swiss firm offers under licence the Canadian production rights and the worldwide marketing rights, except for Europe, to its modern shaft-scaffold device. Designed for shaft construction, lift mounting, pipe fitting, plaster and paintwork, this double scaffold support is applicable to two beam sizes. It has great bearing capacity and safety. The wall joints are equipped with a stopper for brickwork and with a stopper and fastening flanges for woodwork. Literature available. **Item 2540**

Electrochemical measuring instruments

French inventor is offering a Canadian company a licence to produce and market his instruments for carrying out most electrochemical measurements and their derivative measurements. These instruments are portable, self-contained and multi-controlled. The individual instruments have their own means of self-marking and checking, are manufactured according to the latest technological developments, and are fitted with standard components. They are intended for industry in general, for research, medicine and the fight against pollution. The principal types of instruments are: resistivity meters, pH meters, ionometers and CO_2 analysers. Literature available. **Item 2541**

Superposable and juxtaposable racks

A French inventor is offering under licence the manufacturing and marketing rights in Canada, and possibly the United States, for his system of metal racks. These racks are made up of elements which form large storage compartments, juxtaposable and superposable. The superposed legs and storage elements are assembled without bolts and tools and have no play. The system is advantageous because of its integral use of storage space and ability to expand in all directions. Literature available. **Item 2542**

Heat exchanger system

Hungarian state trading corporation offers under licence the North American production and marketing rights to its heat exchanger system. This system uses the thermal energy of flue gases with temperatures ranging from 150° to 900°C. The transfer of cold and warm gases is effected in two separate areas in one machine unit—the ventilator—thus avoiding the use of separate blowers. The efficiency of this method is claimed to be extremely high, greatly reducing the size of the heat transfer surface required and, in turn, the size of the entire system. Literature available. **Item 2543**

Metal-finishing agents

German inventor is seeking a licensing arrangement with a Canadian firm to produce and market his products for finishing metal. These items include a brightener for electroplating nickel baths, and a solution for simultaneous acid pickling and degreasing solution for electroplating and other metal surface processes. The brightener comes in tablet form, which makes the product easier to store and handle, thus greatly reducing costs, processing time, etc. Literature available. **Item 2544**

Skiing simulator

Canadian inventor offers under licence the Canadian manufacturing rights and worldwide marketing rights to his skiing simulator. The device consists of a platform on which the skier stands on a pair of skis which can be adjusted to all boot sizes. A safety strap around the skier's waist automatically stops the machine if he loses his balance. Another feature of this equipment consists of a screen placed in front of the skier on which a film (taken by a skier going down a hill) is shown. The platform can be equipped with a servomechanism to simulate the conditions shown on the film. Literature available. **Item 2545**

Container/applicator for liquids

Canadian inventor is seeking a licensing arrangement with a Canadian firm to manufacture and market a functional container and applicator for liquids. The liquid, in a flexible reservoir, is fed under control to the wiper for application on the surface to be washed, wiped or prepared. The container can be marketed in refillable or non-refillable design. Liquids which can be used include detergents, waxes, health and beauty lotions, liquid chemicals, etc. This device has not yet been commercially produced. Literature available. **Item 2546**

Oil burner

Hungarian state trading corporation offers a licensing arrangement to a Canadian firm to manufacture and market in North America a burner for combustion of liquid fuels. Under this new process, combustion of the fuel-air mixture is performed in the burner's tubular combustion chamber by flameless fire and produces no soot or smoke. The incoming air is preheated by mixing it with hot flue gases. It is claimed that perfect combustion can be achieved even when using heavy or waste oils. Literature available. **Item 2547**

New Zealand Sheep Farmers Helped

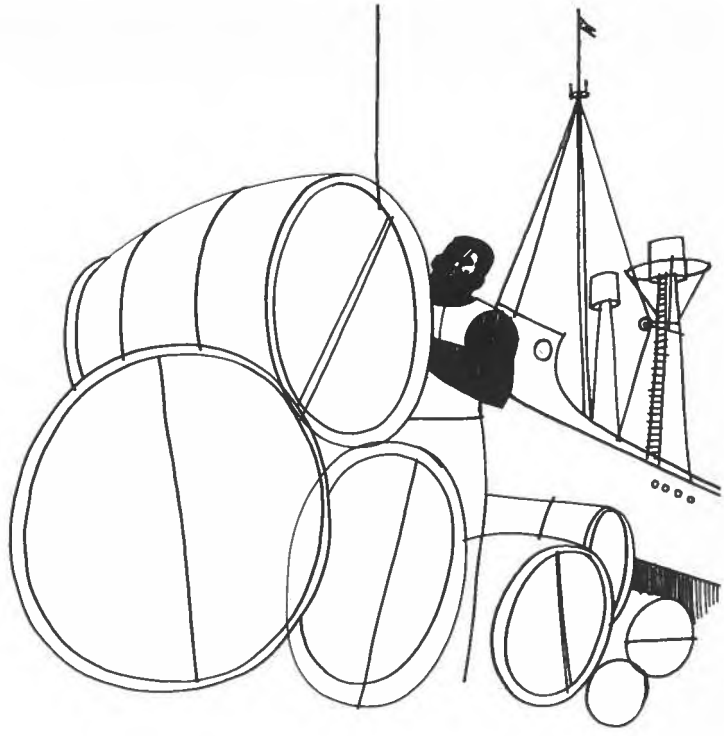
The New Zealand Government has made interest-free loans of up to N.Z. $3,000 (Cdn. $3,540) available to sheep farmers to help them through a period of drastically depressed lamb and wool prices. The total amount involved in the scheme is expected to exceed N.Z. $10 million (Cdn.$11.7 million).

Recent prices offered by New Zealand meat packing companies have ranged from N.Z. $3.67 to $4 for a top grade lamb of about 60 pounds live weight. The New Zealand Meat Producers Board has stepped in with a guaranteed price of N.Z. $4.50 for first grade lambs, but the price is still about $2.50 lower than 1970 when "normal" prices prevailed.

The very low prices are attributed to a number of factors, including a 50 per cent rise in processing costs, Britain's levy on lamb imports and a 40 per cent increase in ocean freight rates. As the British market was, if anything, slightly weaker last year, all increased costs have been reflected in the lower prices received by farmers.

To qualify for a loan, a farmer must derive most of his income from sheep and his application must be supported by a cash flow budget for the 1971-72 season establishing his need and debt situation. The loans will remain interest-free until the end of the 1973-74 season.

Index to Articles in "Foreign Trade" / "Canada Commerce"
July–December 1971



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.

Alarms for boats

SWEDEN—Representation of pyrotechnical warning and alarm products for pleasure boats: Marinberger AB, (attention B. Ryherberger, president), Box 10006, S-200 43 Malmo, Sweden.

Automotive accessories

DENMARK—Automotive accessories suitable for selling in service stations: a major Danish gasoline company, for details write Commercial Counsellor, Canadian Embassy, Prinsesse Marie Allé 2, Copenhagen V.

Control valves

SPAIN—Control valves for domestic and industrial gas-fired space heaters: Calorgas S.A., Viriato 13, Madrid.

Debarking

BRAZIL—Representation and possible direct import of mobile systems for debarking logs in the forest: Sociedade Importadora Agro Assai, Praca Joao Mendes 42, 14° andar, cj. 148, São Paulo SP—Brazil.

Environment control

SWEDEN—Environmental control equipment, machinery and apparatus for the cellulose industry: AB Karlstads Svetsverkstad (attention Bertil Petersen, president), Box 3017, S-650 03 Karlstad 3.

Fabrics, clothing, accessories

SWITZERLAND—Printed fabrics for ladies' wear, leisure and sportswear; ready-to-wear sports clothes, fur coats and jackets: K. W. Schwarz, 1 St. Peterstrasse, 8022 Zurich.

Men's sportswear: Kleiderfabrik Baden, (attention E. Ritz), 8957 Spreitenbach, Zurich.

Sport and leisurewear, pants and jeans for men and boys: Sportfashion Ltd., (attention Heinz Gautschi), Teufenerstrasse 73, 9001 St. Gallen.

Ladies' handbags, belts, shoes: Maison du Modèle, Dina-Favor SA, 12A rue des Délices, 1203 Geneva.

Fish protein

SWITZERLAND—Fish protein for animal feed: Hans Rahn and Co., Universitatstrasse 96, 8033 Zurich.

Hospital supplies

SWITZERLAND—Disposable items for hospitals, such as bandages, needles, dressings, operation gloves, etc.: Verbandstaff-Fabrik, Zurich AG, Seefeldstrasse 153, 8034 Zurich.

Household goods, giftware, electrical apparatus

SWITZERLAND—Household articles, giftware for sale in department stores and supermarkets: Hans Katzenstein, Buchzelgstrasse 60, P.O. Box 160, 8053 Zurich.

Household articles, giftware, small electrical apparatus, novelties: Curt Rhonheimer and Co., Fraumuenstrasse 23, 8022 Zurich.

Glass, chinaware, household goods, heating apparatus, giftware: Ets. Fredy Richard, 5 Blvd. St-Georges, P.O. Box 75, 1211 Geneva 8.

Metal production

MEXICO—Licensing or joint venture for metal bending and fabrication: Herreria y Paileria, SA, APDO Postal 504, Queretara.

Office equipment

DENMARK—Office articles, machines and equipment: Dentax International, Adelgade 5, 1304 Copenhagen K.

Pentaerythritol

UNITED STATES—Pentaerythritol used in the manufacture of paints, to be purchased in 50 metric ton lots per quarter packed in fiber drums or multiwall bags, for shipment to Brazil: Philadelphia trading company; contact Canadian Consulate in Philadelphia.

Photo-electric equipment

AUSTRIA—Photo-electric control equipment, prices, brochures about photocells and sources of supply and examples for applications for distances up to 30 meters: Maschinenfabrik Andritz, Reichstrasse 66, 8045 Graz-Andritz.

Position calculator

SWEDEN—Calculator to determine correct positioning of cargo in an aircraft in regard to balance, etc.: Avicraft AB, Valhallavagen 112, S-114 41 Stockholm.

Pressure transducer

SWEDEN—Pressure transducer for medical use, to be built into a recently invented unit: Elmeda AB, (attention Per Udenius, president), Box 44019, S-100 73 Stockholm, Sweden.

Sails

HONG KONG—All types of sails: Metal and Textile (Metex) Traders Ltd. (attention G. Diestel), Room 122, New Henry House, No. 10 Ice House Street, P.O. Box 1406.

Sports equipment, textiles

DENMARK—Sports goods, hobby materials, and parts and equipment for camping, trailers, boats: Olympic, P.O. Box 20, 6640 Lunderskov.

SWITZERLAND—Recreation, athletic and camping equipment; grey cotton cloth or polyester/cotton blends, polysonic or spun rayon: Lacoray SA, Place Saint-Gervais, 1, 1211, Geneva.

Steel beams

BRAZIL—Representation and direct import of IV and H steel beams: Cibraco S.A. Comercial e Importadora de Ferro e Aco, Av. Casper Libero 390—3°, São Paulo, SP—Brazil.

Track ballast discharge cars

NEW ZEALAND—200 class YH steel hopper bottom discharge cars for track ballast; three-foot, six-inch gauge track: New Zealand Railways. Tenders close March 22 in Wellington; documents available from New Zealand Embassy, Washington, D.C.

Trade Commissioners on Tour

In Territory

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

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.

Ecuador

Officers of the Bogota, Colombia, office visit Ecuador approximately every two months.

Finland

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

Libya, Sudan

The Trade Commissioner in Cairo, the Arab Republic of Egypt, visits Libya approximately every two months, and the Sudan every six months.

Morocco

Trade Commissioners from the Madrid, Spain, office visit Morocco approximately every two months.

South Korea

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

Turkey

Trade Commissioners in Ankara visit Istanbul frequently.

Foreign Tariffs and Trade Regulations

Argentina

Decree Law 19367 published recently by the Argentine Government exempts imports for certain basic industries from the 15 per cent surcharge introduced on November 1, 1971. The industries affected are iron and steel, chemicals, petrochemicals, pulp and paper, shipyards, copper and aluminum, publishing, explosives and weapons manufacturing, works and installation of electric energy, scientific or technical investigation.

The decree also announced that the surcharge will be reduced to 10 per cent on February 1, to 5 per cent on March 1, and will be removed entirely on April 1, 1972.

Australia

A joint statement concerning the conversion of units of measurement in the Australian Customs and Excise Tariffs to the metric system was made by the Ministers for Trade and Industry, for Education and Science, and for Customs and Excise on December 2, 1971. The major points of the statement are:

1. The units of measurement in the Australian Customs and Excise Tariffs will be converted to their metric equivalents and the rates of duty expressed accordingly. As current imperial measurements could not conveniently be converted exactly to metric units, the amounts of duty payable on imported goods would, in some cases, vary slightly from present levels. Such changes would be minimal.

2. The sections of the tariffs affected by conversion are expected to be circulated for general information by March 31, 1972.

3. The converted tariffs would be effective on and from July 1, 1972.

Dominican Republic

The Secretary of State of the Dominican Republic has announced the introduction of a new customs tariff based on the Brussels Nomenclature. This tariff schedule entered into force January 1, 1972, and as a result of its application, all documentation for shipments to the Dominican Republic, from that date on, will be required to be in Spanish and must conform with the headings adopted in the new tariff schedule. Consular representatives of the Republic will not legalize commercial documents which do not satisfy the requirements established by the new tariff schedule.

Information regarding tariff classification of specific products may be obtained from the Caribbean Division, Office of Area Relations.

Guyana

The December 31, 1971, *Official Gazette* of the Government of Guyana contains the Trade (Control of Imports) Order, 1971, which bans immediately import into Guyana of the following commodities (indicated with tariff item number) unless they are entitled to be accorded a CARIFTA rate of duty. Licences to import the goods listed below from Canada are therefore null and void.

Tariff Item	
011	All meat—fresh chilled or frozen
013-02.2	Sausages
013-02.3	Meat preparation and canned meat n.e.s.
013-09	Meat extract and preparations n.e.s.
026	All natural honey
029-09.1	Ice cream
031-02	Fish, salted, dried or smoked but not further prepared
032-01	Fish canned and fish preparations, fish and fish products, crustacea and molluscs in airtight containers
048-04	Bakery products (bread, biscuits, cakes, etc.)
048-09	Cereal preparations for food n.e.s.
051-07.2	All other edible nuts (e.g. almonds, Brazil nuts, hazel, etc.), except those under 051-07.1
052-01	Dried fruits
053	All fruits preserved and fruit preparations
054-09.8	Vegetables not included elsewhere in Customs Ordinance, including fresh carrots, asparagus, cabbages, etc., but not including artificially dehydrated.
055-01	Vegetables dehydrated
055-02	Vegetables preserved or prepared in airtight containers, including all soups
055-03	Vegetables preserved or prepared (except frozen or dehydrated or in brine), not in airtight containers
061-09	Artificial honey
062-	All sugar preparations
073-01.1	Chocolate confectionary
075-01	Pepper and pimento
075-02.6	Curry powder and mixed spices
099-09.04	Pickles
099-09.05	Sauces and other condiments
099-09.11	Fruit juices fortified with spirits
099-09.13	Peanut butter, other edible nuts, dehydrated soups
111-01.2	Non alcoholic beverages
112-01.1	Champagne
112-03.1	Beer and ale
112-03.2	Stout and porter
112-04.07, 08	Gin
112-04.12	Vodka
533-03.2	Paints and preservatives
533-03.3	Varnishes and lacquers
552-02.09	Detergents
656-04	Bed linen, table linen, kitchen linen of all materials
664-05	Louvre glass
699-02	Finished structured parts made of aluminum and other non-ferrous base metals, including assembled structures
821	All furniture

Import licences must now be secured before import into Guyana for the following commodities:

Tariff Item	
075-01	Pepper and pimento
533-03.6	Paint driers and other products not otherwise included in 593-03
552-01	Perfumery, cosmetics, dentifrices and other toilet preparations except soaps
641-01	Newsprint paper
641-02	Printing and writing sheets in rolls and sheets.

Singapore

Metric Units—All documents submitted to the Controller and Registrar of Imports and Exports, Singapore, on or after January 3, 1972, should show metric units of weights and measures, irrespective of the date of arrival or despatch of the consignments.

Fluorescent Tubes—The import quota for fluorescent tubes will be continued at the present level of 150 per cent of 1967 imports. Licences for 3/12 of the annual quota will be issued for the period January 1 to March 31, 1972.

Telecommunications Equipment—Inward Declarations for the following should continue to be endorsed by the Director of Telecommunications (Licensing Section, Ground Floor, 35 Robinson Road; tel. 983111) before submission to the Imports and Exports Office: transmitters, receivers, transceivers (two-way radio, ship radio, radio telephone, walkie talkie, ham radio, paging equipment, etc.), wireless microphone, radio alarm, and radar equipment.

Address Change—Effective January 1, 1972, the Imports and Exports Office will no longer use the G.P.O. delivery box No. 3003. All documents should be sent direct to this office, 2nd Floor, Fullerton Building, Singapore 1.

Spain

A Spanish Ministry of Commerce order, dated December 27, 1971, fixes the maximum duty-free quotas for newsprint and newsprint pulp for 1972 as follows:

Newsprint—Brussels nomenclature tariff heading 48.01 D3 C1: 65,000 metric tons.

Pulp for newsprint manufacture—BN tariff headings 47 B lb and 47.01 B2: 34,000 metric tons.

Switzerland

Effective September 1, 1972, labels on foodstuffs imported into Switzerland must include the weight given in grams.

Trade Lines

Nigeria maintains trade pace

Nigeria is continuing its record growth of imports at a rate in excess of 50 per cent annually. Statistics for the first half of 1971 show imports reached $725 million, just 25 per cent less than the total (just over $1 billion) for the whole of the previous year. Nearly half the rise in imports is attributed to increased purchases of machinery and transport equipment. Exports for the first six months of 1971 were valued at $785 million. Shipments of crude petroleum—now accounting for 64 per cent of Nigerian exports—contributed to almost all the one-third growth in exports—Lagos

U.S.S.R. sells cars to Britain

The U.S.S.R. has signed a contract for delivery of 200 Moskvich cars to Britain in 1972. Soviet authorities say the deal marks a considerable increase in sales to Britain, which have grown steadily in the 10 years the car has been available there. About 500,000 Moskvichs have been sold to 70 countries—Moscow

India buys more Mexican acid

Fertilizantes Fosfatados Mexicanos, S.A. (FFM) has signed a long-term contract with Madras Fertilizers Ltd. to supply 200,000 metric tons of phosphoric acid a year. The first 18,500 metric tons, worth about $1.3 million, have already been shipped. In October, 1970, FFM signed a five-year contract with Zuari Agro Chemicals Ltd. of Goa, India, to supply 445,000 metric tons of the acid. Shipments under this agreement will begin in late 1972—Mexico City

Malaysia approves world trade center

A 35-storey world trade center is to be built in Malaysia. The M$20 million complex will employ between 600 and 800 persons and provide display facilities for the promotion of Malaysian exports and tourism. The building will also house Malaysian Trade Commission offices, the Export Promotion Bureau, the Timber Export Board and Tourist offices. Construction is expected to begin in about two years—Kuala Lumpur

Honduras builds new steel mill

A $30 million steel plant, to be known as Altos Hornos de Centroamerica, S.A., will be built at Agalteca, Republic of Honduras. Altos Hornos de Mexico, S.A. (Mexico's largest steel producer) will have a 20 per cent participation and will provide technical assistance. Construction is scheduled to begin this year. The plant will have a capacity of 150,000 tons of steel billets a year when completed in 1975 or 1976—Mexico City.

Electricity reaches desert

Oases in Egypt's western desert now have electricity. An electric grid has been installed connecting the High Dam power stations with these remote areas and cables carrying 132 kv of electricity span 240 km. Electric power can now be used in operating heavy duty mechanical equipment for iron mines in the Baharia oases —Cairo

Danish firm to erect factories

The Danish engineering firm, Thomas Schmidt A/S, has signed contracts with Japan and Czechoslovakia to build eight factories to produce concrete elements for prefabricated buildings. Negotiations are continuing on supplying Czechoslovakia with further factories.

The Danish firm has also concluded a special consultation and tender contract with the U.S. building concern, Shelley Systems Inc., for construction of a factory to produce house-block elements for flats. This is expected to lead to the construction of about 50 complete element factories in the U.S.—Copenhagen

Swiss, Danes assist Sudan

A group of Swiss and Danish firms will supply drilling equipment and water pumping installations worth about $2.3 million for Sudan's Thirst Combat Project. This will be extended as a loan from the two countries. The Sudanese Government has also received offers from the Food and Agriculture Organization to set up multipurpose agricultural water tanks and supply them with equipment and experts—Cairo

Spain spends more on education

By the end of its Third Development Plan in 1975, Spain will be spending $1.45 billion or 2.7 per cent of its GNP on education. This will be $791 million more than it spent on education in 1970 when the allocation for education was 2.1 per cent of the GNP. By 1975, the number of students per 100,000 population at different educational levels is expected to be: pre-school age, 254; high school, 177.1; and university, 77.7—Madrid

U.S. firms in Australian nickel project

The Hanna Mining Company, a large Cleveland-based minerals firm, has entered into a joint agreement with Union Oil Company of California, Homestake Mining Company and Poseidon Limited of Australia for development of nickel properties in Australia. The agreement calls for the combining of nickel sulfide properties near Mount Windarra in the State of Western Australia.

Union Oil Development Corporation, a wholly owned subsidiary of Union Oil of California, will have a 25 per cent interest, Homestake Iron Ore Company of Australia Limited and Australian Hanna Limited 12½ per cent each, and Poseidon, which will be the operator of the joint venture, will hold a 50 per cent interest—Cleveland

Malaysia increases shipping investment

The Malaysian Government will increase its share capital in the Malaysian International Shipping Corporation (MISC) from $305,000 to $908,000. It will also give first option to the state governments of Sabah and Sarawak to invest in the Corporation. If they participate, the three would have a majority holding.

A member of the Far Eastern Freight Conference, MISC provides a shipping service on the Far East-Europe trade route and is planning a coastal service between West and East Malaysian ports. At present, the Corporation operates four liners in the 13,000-ton class but orders have been placed with Japanese shipyards for six more cargo liners ranging from 12,500 to 15,000 tons, three bulk carriers of 29,000 to 35,000 tons and one 165,000-ton oil tanker—Kuala Lumpur

Shipyards publish export catalogue

An export catalogue called *Scandinavian Shipbuilding* has recently been published by 125 Norwegian, Swedish, Danish and Finnish shipyards which are engaged in a common export drive. About 2,000 copies of the catalogue have been ordered by interested parties in 57 countries—Copenhagen

Mexico invests in Peru

Trailers de Monterry, S.A., will invest about $2 million in an automotive plant in Peru for the production of heavy-duty trucks—Mexico City

Chemical plant for Mexico

A $40 million chemical plant to produce 70,000 tons a year of fluorhydric acid will be built at Matamoros, Tamaulipas. Called Quimica Fluor, S.A. de C.V., the plant is being financed by Minera Frisco, S.A.; Financiera Banamex, S.A. and Dupont de Nemours Company of the United States—Mexico City

Singapore expands phone service

An additional 109,000 direct exchange lines and 163,000 telephone instruments will be installed in Singapore under the Telephone Board's revised five-year (1971-1975) development plan. This will bring the total number of lines to 216,000 and the number of instruments connected to the board's system to 325,000 by 1975, giving Singapore a telephone density of nearly 15 telephones per 100 people compared with 7.7 at the end of 1970. The development plan, which will cost $79 million, also provides for 23 new exchanges which will result in a building capacity of more than half a million lines.

Scottish Hopes Flower on North Sea Oil

The northeast of Scotland may be on the brink of one of the most exciting developments in its history. Tests of the North Sea oil strikes confirm that oil is there in commercial quantities. It may be only a matter of 18 months or so before it is piped to the mainland for cracking at Grangemouth or onward shipment.

Aberdeen, better known for its granite, its university and as a modern fishing port, now finds itself an oil city. As the oil boom gains momentum so will shore activities in Aberdeen and adjoining towns such as Peterhead. New warehousing is being constructed to store the many raw materials such as drilling muds, cement and chemicals, and new housing is being put up—already some 700 people are employed directly by oil exploration companies and their services in and around Aberdeen. By 1973 it is expected that more than 3,200 will find similar employment. Five rigs are working now in the North Sea—a sixth one is under repair—but there may be 20 by 1973. Discoveries in both the British and Norwegian sectors of the North Sea indicate that, by 1975, the crude oil output will be about one million barrels of oil a day (equivalent to some 50 million metric tons a year—less than half the current oil consumption in Britain). If the areas east of the Shetlands prove to be productive, the oil output could conceivably reach three million barrels a day, or 150 million tons a year, by 1980.

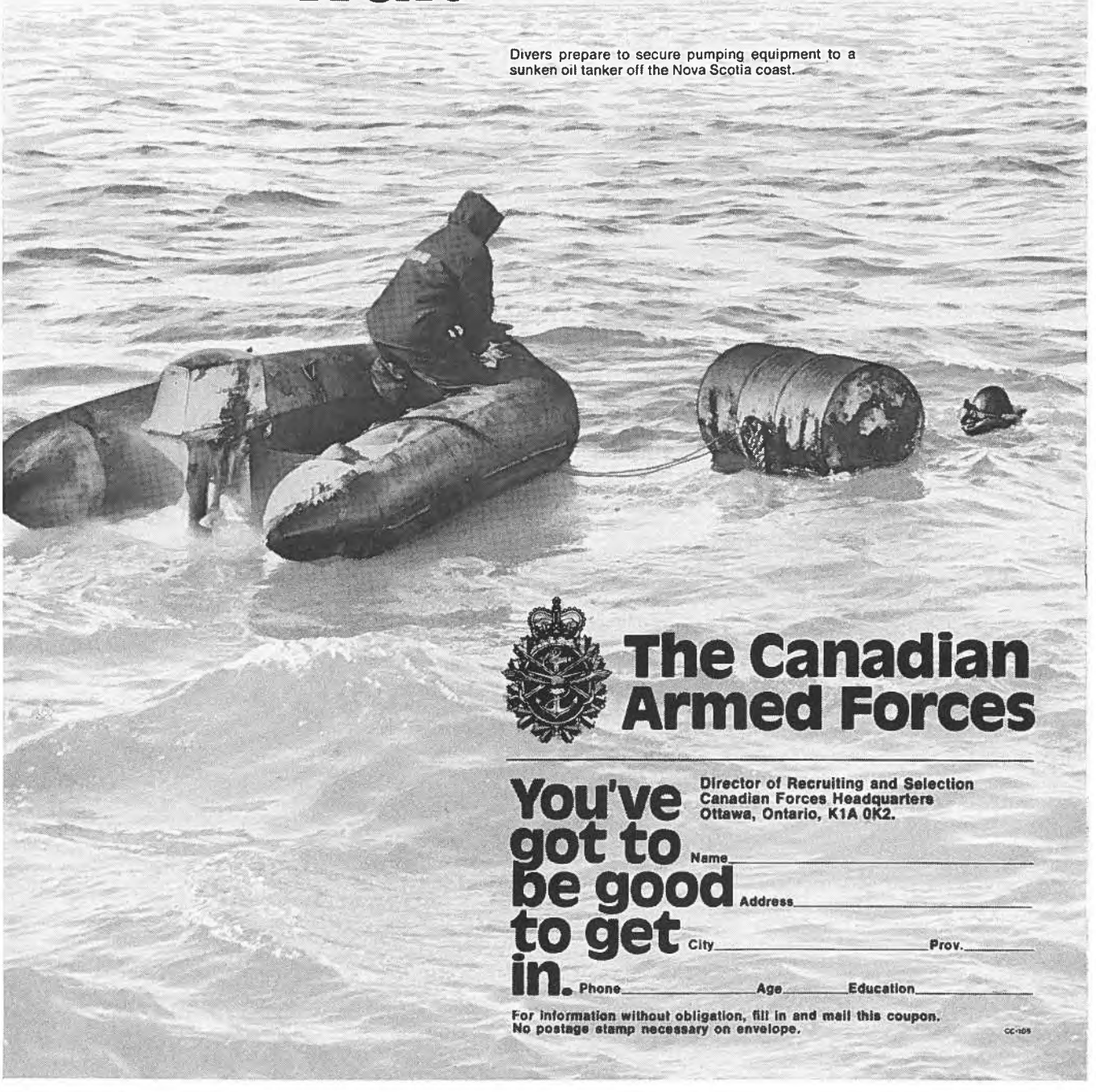
The BP "Sea Quest" rig, located in the Forties Field about 110 miles off the Aberdeenshire coast, has come up with very favorable results from two of its exploratory wells indicating that they may reach 10,000 barrels a day. Further explorations in the immediate area are continuing and the Shell-Esso Group has struck oil next to the BP find in block 22/6, 125 miles northeast of Aberdeen. Co-operation between these giant oil companies is being worked out for the exploration of the Forties area and the eventual piping of oil to the mainland and overland to the BP refinery at Grangemouth. Recent discoveries of low sulphur content oil in block 22/18 have also been announced by Amoco Gas Council. This area is 20 to 30 miles southeast of the Forties Field and indications are that it may have large reserves.

The North Sea oil boom will spark off new industries in the northeast of Scotland. Bredero Price (UK) Ltd., a member of a Dutch-American group of companies, plans to set up a plant in Leith to treat the underwater pipes before they are sent to the area by barges for welding and lowering to the sea bed. Tentative plans are being discussed by Brown and Roote (UK) Ltd., for a plant in the Moray Firth to build large production platforms at the deep-water port of Invergordon (site of the new British Aluminium plant). Local contractors in the northeast of Scotland—of which Aberdeen Construction Company is the largest—will be fully occupied over the next few years doing construction and pipeline work.

The next two years will be exciting ones in northeast Scotland and the odds favor a sufficient supply of oil to make Scotland's underwater pipe dream come true—Glasgow

We're fighting pollution instead of war.

We hope war never comes. Because we're working too hard for peace. With a lot of intelligent men and sophisticated equipment. We fight pollution on Maritime beaches and check oil slicks in the seas. We protect ecology in the Arctic by maintaining controls. We provide relief by airlifting medicine and food to people in trouble. We fight forest fires, overcome floods, and search out and rescue a thousand or so people every year. And we educate through free university degrees in our Military Colleges. Because we figure that our job isn't just to keep peace but to make it. We also figure that the more we fight the basic causes of misery, the better our chances. If you'd like one of those university degrees and the officer's career that comes with it, find out more. Contact your Canadian Armed Forces Recruiting and Selection Unit, ask your guidance counsellor, or send us the coupon below.



Divers prepare to secure pumping equipment to a sunken oil tanker off the Nova Scotia coast.

The Canadian Armed Forces

You've got to be good to get in.

Director of Recruiting and Selection
Canadian Forces Headquarters
Ottawa, Ontario, K1A 0K2.

Name_____

Address_____

City_____ Prov._____

Phone_____ Age_____ Education_____

For information without obligation, fill in and mail this coupon.
No postage stamp necessary on envelope.

CC-109

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.

Information was not available at press time on rates for certain currencies. These rates, therefore, have not been included in this table.

For conversion of column one to the U.S. dollar equivalent *multiply* by .99. **To convert column two, *divide* by .99.**

Country and Currency	Value of foreign currency unit in Canadian dollars at January 13	Canadian dollar in foreign currency units
Algeria Dinar	.2093	4.78
Arab Republic of Egypt Pound (official)	2.3165	.43
Argentina Peso (free)	.2016	4.96
Australia Dollar	1.1996	.83
Austria Schilling	.0429	23.31
Bahamas Dollar	1.0383	.96
Belgium and Luxembourg Franc	.0227	44.05
Bermuda Dollar	1.0397	.96
Bolivia Peso	.0846	11.82
Brazil Cruzeiro (official free)	.1793	5.58
Britain Pound	2.5723	.39
British Honduras Dollar	.6078	1.64
Burma Kyat	.1883	5.31
Ceylon Rupee		
Chile Escudo (bank rate) (free)	.0360	27.77
China, People's Republic of Renminbi	.4188	2.39
Colombia Peso (fixed)	.0480	20.83
Costa Rica Colon	.1225	8.16
Czechoslovakia Koruna (fixed basic rate)		
Denmark Krone	.1428	7.00
Dominican Republic Peso	1.0072	.99
Ecuador Sucre (official)	.0403	24.81
El Salvador Colon	.4029	2.48
Fiji Dollar		
Finland Markka	.2457	4.07
France, Monaco, etc.[1] Franc	.1944	5.14
French Pacific[2] Franc	.0107	93.46
Franco-African Republics[3] Franc	.0039	256.41
Germany D Mark	.3133	3.19
Ghana New Cedi	.5540	1.81
Greece Drachma	.0336	29.76
Guatemala Quetzal	1.0072	.99
Guyana Dollar	.5136	1.95
Haiti Gourde	.2014	4.97
Honduras Lempira	.5036	1.99
Hong Kong Dollar	.1804	5.54
Hungary Forint (official)	.0869	11.51
Iceland Krona (official)	.0115	86.96
India Rupee	.1348	7.42
Indonesia[4] Rupiah	.0024	410.00
Iran Rial	.0134	74.63
Iraq Dinar	3.0619	.33

Country and Currency	Value of foreign currency unit in Canadian dollars at January 13	Canadian dollar in foreign currency units
Ireland Pound	2.5723	.39
Israel Pound	.2398	4.17
Italy Lira	.0017	588.24
Jamaica Dollar	1.2862	.78
Japan Yen	.0032	312.50
Kenya[5] Shilling	.1441	6.94
Korea, Republic of Won	.0027	370.37
Lebanon Pound (free)	.3213	3.11
Libya Dinar	2.9467	.34
Malawi Kwatcha	1.2494	.80
Malaysia Dollar	.3572	2.80
Mexico Peso	.0806	12.41
Morocco Dirham	.2161	4.63
Netherlands Florin	.3133	3.19
Netherlands Antilles Florin	.5627	1.78
New Zealand Dollar	1.1996	.83
Nicaragua Cordoba	.1439	6.95
Nigeria Pound	2.8835	.35
Norway Krone	.1499	6.67
Pakistan Rupee	.2112	4.73
Panama Balboa	1.0072	.99
Paraguay Guarani (free)	.0080	125.00
Peru Sol (free)	.0233	42.92
Philippines[6] Peso (free)	.1569	6.37
Poland Zloty (fixed basic rate)	.2577	3.88
Portugal & Colonies[7] Escudo	.0370	27.03
Saudi Arabia Riyal	.2273	4.40
Sierra Leone Leone	1.2371	.81
Singapore Dollar	.3358	2.98
South Africa Rand	1.3429	.74
Spain & Dependencies Peseta	.0153	65.36
Sweden Krona	.2086	4.79
Switzerland Franc	.2586	3.87
Syria Pound (free)	.2711	3.69
Thailand Baht (free)	.0484	20.66
Trinidad & Tobago[8] Dollar	.5468	1.83
Tunisia Dinar	2.0829	.48
Turkey Lira	.0719	13.91
United States Dollar	1.0072	.99
Uruguay Peso (free)		
Venezuela Bolivar (official free)	.2292	4.36
Yugoslavia Dinar (official)	.0593	16.86
Zaire, Republic of[9] Zaire	2.054	.49
Zambia Kwacha	1.4576	.69

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

2. New Caledonia, New Hebrides, French Polynesia.

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. Exchange rate at August 1971.

5. Rate also applies to Tanzania and Uganda.

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

7. Approximately same for Portuguese territories in Africa.

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

9. Formerly Congo (Kinshasa).

CIDA Opens Up Markets in India

A $10 million line of credit permits Indian customers to buy from Canadian suppliers without worrying about foreign exchange availability.

DAVID G. ADAMS, Assistant Commercial Secretary, New Delhi

A potential market for many Canadian exporters of machinery, equipment and services has opened up in India with the signing of a $10 million line of credit loan between the two countries.

The loan, by the Canadian International Development Agency (CIDA), will cover the foreign exchange cost of importing an unlimited range of Canadian manufactured industrial products and equipment, and consulting services. It is the first such loan that Canada has extended to India, although similar loans are provided by the United States, Japan and West European countries. It permits Canadians to enjoy the same advantage as other manufacturers in the Indian market because the customer is assured that he can buy from a Canadian supplier of his choice if the goods are not produced domestically at comparable prices. Under earlier CIDA loans or Export Development Corporation (EDC) credits, Indian firms could buy only specified categories of goods and equipment and this ruled out the free play of commercial initiative by enterprising Canadian producers of other categories of manufactures.

Historically, development loans to India have been for the import of industrial commodities, fertilizers or predetermined "project packages" of equipment. These "packages," usually large and commercially complex, were determined bilaterally on the basis of availability in Canada or India and the price competitiveness of the Canadian equipment. Canadian deliveries were mainly for such major capital projects as machinery for power plants, locomotives, telecommunications equipment and aircraft. However, this tendency to provide loans for projects resulted in other sectors of considerable commercial interest to Canadian suppliers being overlooked.

With the new industrial line of credit, Canadian exporters can now develop sales under normal commercial conditions in competition with suppliers from other countries which have extended similar credits. It is also no longer necessary for Canadians to enter into competitive tendering in Canada as under earlier CIDA loans; they need only meet the normal requirements of quoting or tendering laid down by the Indian customer.

Once the customer has decided to order from Canada he applies for an import licence against the loan. The minimum order must be $25,000. and transactions up to $100,000 may be concluded without further formality. For items worth more than $100,000, CIDA must approve the order before a contract is entered into. To qualify, all items must meet the normal two-thirds Canadian content requirement.

The new line of credit loan has put the Canadian exporter in a much better position to work closely with his Indian agent and, with the advice of the Trade Commissioner in New Delhi, he will be able to take advantage of specific import inquiries from Indian firms without worrying about foreign exchange availability. There have already been many applications against the loan and if this financing arrangement is effective CIDA may extend this line of credit to provide an incentive for long-range promotional effort in India.

To quote from a letter recently received from a Canadian manufacturer: "We believe the new CIDA line of credit financing will greatly facilitate orders in the future. Under the line of credit approach, Canadian exporters are brought into direct and continuing contact with Indian business and it can be expected that a long-range mutual benefit will result."

Our office in New Delhi will continue to urge Indian agents of Canadian firms to bid on every tender call from public sector companies and to develop a "hard sell" approach to private companies. The market opportunities for Canadian exporters are now much improved but an active and aggressive Indian agent is of vital importance and now would be the time for Canadian exporters to critically examine existing agency relationships. The introduction of the industrial line of credit has opened up a new market for many Canadian exporters of machinery, equipment and services—a market which should be developed aggressively and systematically.

Canadian Trade Mission in Algeria

A Canadian trade and economic mission visited Algeria in November to assess the opportunities for developing trade, to inform Algerians of Canadian capabilities, and to review the projects planned under the Algerian development program. Seventeen Canadian businessmen and a number of representatives of government departments and crown corporations made up the group which was led by the Hon. Jean-Luc Pepin, Minister of Industry, Trade and Commerce.

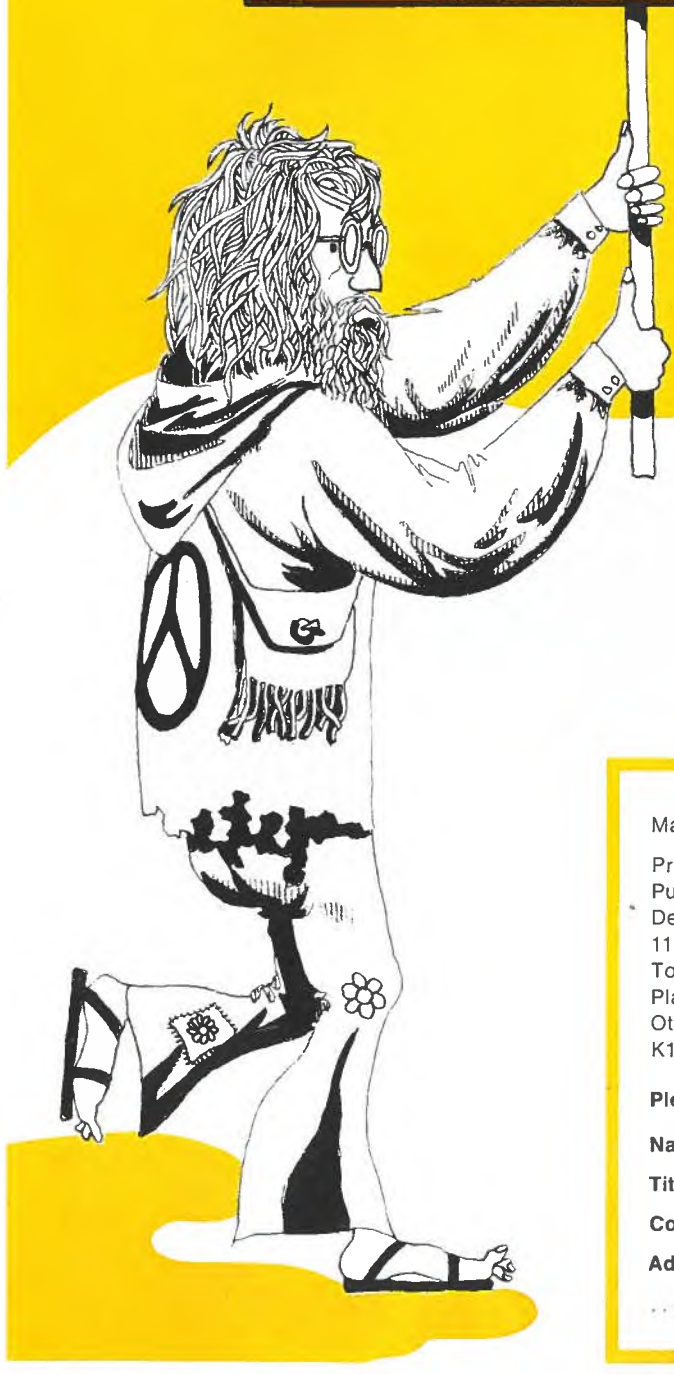
The photograph, taken just after the mission arrived at Algiers airport, shows (left to right) Christian Hardy, Canadian Ambassador to Algeria; D. Jamel HouHou, Algerian Ambassador to Canada; Mr. Pepin; Layachi Yaker, Algerian Trade Minister, and Andrew Kniewasser, Senior Assistant Deputy Minister of Industry, Trade and Commerce.

The mission discovered many areas where Algerian development can benefit from Canadian expertise, machines and materials. Algeria is currently in the second year of a four-year development plan and a new four-year plan will begin in 1974. Canada has already indicated its willingness to assist through the Canadian International Development Agency and the Export Development Corporation.

If undelivered return to:
"Canada Commerce"
Dept. Industry, Trade and Commerce
Ottawa, Canada K1A 0H5

CANADA
POSTAGE PAID
PORT PAYÉ

THE LAST WORD .....



. . . . for Canadian business, industry and the public. It's a directory listing a wide range of publications available free of charge from Canada's Department of Industry, Trade and Commerce. The publications are grouped into eight sections according to subject and each title has a brief description of its contents.

The subject range includes government assistance for business and industry, building design and construction, manufacturing and engineering, marketing abroad, wood and forest products, agriculture, fisheries and food products, industrial materials, industry reviews and reports. These booklets promote exports of everything from apples to sophisticated electronic equipment and are an invaluable aid to almost all Canadian exporters.

To order this directory, just complete and mail the coupon below.

Mail to:

Printing and Distribution Division
Publicity Branch
Department of Industry, Trade and Commerce
112 Kent Street
Tower "B"
Place de Ville
Ottawa, Canada
K1A 0H5

Please send me the Directory of Publications.

Name: .....

Title: .....

Company Name: .....

Address: .....

.....