

May

**Canada
Commerce**

1972

**Markets are waiting
in Cuba**

**Foreign governments
buy things too**

**What have you done lately
about exporting?**

Western Lumber Goes to Philadelphia

The largest single shipment of lumber to come up the Delaware River was unloaded recently at the Camden Marine Terminal in Metropolitan Philadelphia. More than 12 million board feet of Western Canadian fir and hemlock consigned to the Blanchard Lumber Company was included in the 20 million board feet which the *M. S. Mai Vente* freighted to the Philadelphia area from Harmac, British Columbia.

This consignment and others like it are concrete evidence of the resurgence in the demand for building products. Canadian activity in this area is by no means limited to cargo framing lumber. The Philadelphia-Baltimore-Washington corridor also represents an excellent market for such products as Eastern spruce dimension stock, wood and asphalt shingles, acoustic and floor tiles, building stone and hardboard.

If you are interested in expanding your horizons in this direction, the office in Philadelphia has the contacts in the building industry to help you penetrate this lucrative market. Contact the Consul and Senior Trade Commissioner, Canadian Consulate, Suite 1310, 3 Parkway Building, Philadelphia, Pennsylvania 19102.



In This Issue

This issue may have a few surprises for you. According to our Havana office, most Canadians are unaware that we are Cuba's closest highly developed agricultural and industrial trading partner, that Cuba's chief imports are industrial plants and machinery and that Canada sold goods worth more than \$56 million last year to Cuba. It is some years since this magazine last carried reports about Cuba and the articles written by the staff at Havana make interesting reading. Most of our sales there, apparently, arise not from any efforts made by Canadians but simply because the Cubans have gone out and bought what they wanted for themselves. As the articles on the following pages suggest, trade figures between the two countries might be a lot higher if Canadians bestirred themselves. As it is, Canadian sales to Cuba cover a wider range than to any other socialist country. But whether your products can find a market there or not, we think you will find the articles worthwhile reading—we certainly thought so when we first saw them.

If your line has anything to do with agriculture then the account of a recent mission to the U.S.S.R. should be valuable. Mission members toured various parts of the country, were shown farming methods and farm machinery plants and found that many Canadian problems were equally Soviet problems. They also found concrete interest in Canada as a source of supply for equipment and technology.

Exporting is a two-way game, and the New Zealand Government, so our Wellington office tells us, tends in its buying to favor those countries that buy from New Zealand. That being so, Canadian suppliers should have a good chance to get some of that NZ\$50 million that is spent annually by New Zealand government departments. The article on page 30 tells you how to go about it.

If you prefer to stay closer to home, then next month we hope to have an article on selling to the Canadian Government. The range of goods Ottawa buys is quite surprising, at least to those of us who have never sold in this particular market place.

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Markets Are Waiting in Cuba

When Canadian businessmen examine market possibilities in Latin America, they frequently overlook the Cuban potential. They are unaware that Canada is Cuba's closest highly developed agricultural and industrial trading partner and is a natural source of supply for Cuba's wide-ranging import requirements. All too often Canadian export sales to Cuba have materialized solely through the persistence and diligence of Cuban buyers. All too infrequently have Canadian exporters pursued their natural marketing advantages here with the forthright and direct approach which has won Canada sales and friends in nearly every market of the world.

Despite our lack of selling efforts, Cuba represents a significant market for Canadian products; in 1970, Cuba was our fifth largest market in Latin America, and our twentieth largest export market on a global basis. Canada sells a wider range of products to Cuba than to any other socialist country. In 1970, Cuba bought more Canadian products (excluding wheat and flour) than did the U.S.S.R. or China. Including wheat and flour, we sold more to Cuba in 1970 than we did to Albania, Bulgaria, Romania, Hungary, Czechoslovakia and Poland combined.

The following series of articles prepared by J.M. Hill, Second Secretary, and Nicasio Lorenzo, Commercial Officer, in the Canadian Embassy, Havana, provide information on how your firm can pursue business opportunities there.



Here is the Malecon, a well-known and usually popular driveway along the shore, with the business centre of Havana looming in the background.

Cuba

How the Economy Runs

Central planning is the key to Cuba's economy. In Cuba, all economic activity is controlled by a central planning organization, JUCEPLAN, which plays a major role in analysing alternatives, establishing priorities and co-ordinating plans among the various ministries and agencies which have the operating responsibility for given sectors of the economy. With the exception of small farms, virtually all revenue-earning resources are in the hands of the state.

The principal industry is agriculture and the most important crop, sugar cane. Major crops include tobacco, citrus fruit, coffee, rice, potatoes and other vegetables. Livestock is important too, and a massive

development project is now under way to stimulate production of milk, beef, swine and poultry. Significant investments have been made in the fishing industry, with increasing quantities of lobster, shrimp and tuna destined for export markets.

As a nickel producer, Cuba has extensive undeveloped reserves. Local petroleum production is small and the island's three refineries rely almost entirely on imported crude. Cement is the basis of the construction industry with production exceeding one million tons for the first time in 1971.

Secondary manufacturing is limited. A number of plants process Cuba's agricultural products — meat packing, ci-

Like a giant spider, the steel claws of a mechanical grab are poised above part of the sugar harvest. Sugar is king in Cuba and extensive use of machinery is made in loading and transporting sugar cane to the grinding mills.



J.M. Hill, Second Secretary, Havana

gar and cigarette manufacturing and distilleries are all important. Other industries include domestic appliances, shoes and textiles, pharmaceuticals and metal fabricating.

Development Strategy — Industrialization was a topic of great interest in the early 1960s but the current thrust of Cuban economic policy is to build on the potential offered by the country's agricultural base.

The key word is mechanization. The sugarcane harvest requires a lot of labor and coincides with the harvesting period of a number of other major crops. As a result, Cuba is now looking for equipment to mechanize harvesting operations in general and has, over the last five years, imported approximately \$150 million worth of various types of agricultural machinery. Mechanization will continue to be of great importance in the coming years and machinery imports will still be required.

Cuba is also paying close attention to construction and transportation. There has been considerable activity in non-urban building programs including farm structures, schools and hospitals. Forecasts call for a rapid expansion in housing units with a target of 100,000 units a year by 1975. This program will make use of prefabricated concrete elements. A new central highway system is under construction and Cuba's extensive rail network is being revitalized with a wide range of new investments. Plans for a streamlined pro-



duction complex for transportation equipment are under way as current production methods cannot keep up with requirements, and there will be a continuing demand for almost all forms of transportation equipment in the foreseeable future.

Foreign Trade — The greater part of Cuba's foreign trade is conducted in non-convertible currencies with socialist countries. The exchange of merchandise and manner of payment is governed by both annual and long-term trade agreements between Cuba and these countries. In 1969, the last year for which official statistics are available, approximately 67 per cent of Cuba's exports were shipped to socialist countries and 76 per cent of

Cuba's imports were supplied by them. The U.S.S.R., Cuba's major trading partner, supplied 56 per cent of Cuba's imports and took 35 per cent of its exports.

Cuba also has important trade relations with hard currency countries, however, with the import emphasis on non-consumer products such as chemicals, fertilizer, iron and steel, agricultural machinery, construction and transportation equipment. In 1970, estimated Cuban imports from hard currency areas were worth approximately \$360 million and exports, \$220 million. Western European countries such as Italy, France, the United Kingdom, Spain and Germany have made significant sales in recent years and Japan, Cuba's principal hard cur-

rency export market for sugar, has become an important supplier too. Cuba is also a big buyer of a wide range of Canadian agricultural and industrial products: wheat and flour, skim milk powder, agricultural equipment and livestock, seed potatoes, hardware, electric and electronic equipment, automotive parts, medicinal and pharmaceutical products, packaging materials and railway equipment. And Cuban exports to Canada, including unrefined sugar, frozen lobster, shrimp and prawns, leaf tobacco, cigars, rum, pineapples and citrus fruit, have risen steadily due to that country's export promotion efforts.

Cuba

The Way to Do Business

All Cuba's foreign trade activity is in the hands of a number of state monopoly import and export companies. In response to a specific need from a customer or end user, these companies will contact, negotiate and sign contracts with foreign suppliers. These companies, the only agencies authorized to import and export merchandise, are represented in Canada through the Office of the Cuban Trade Commissioner in Montreal (see box feature).

While exporters are unlikely to have close contacts with other Cuban organizations involved in foreign trade, they should be aware of the role which these agencies play. The Ministry of Foreign Trade has overall responsibility for Cuba's import and export performance, and the majority of the import companies are under the Ministry's direct responsibility. Some of the more specialized import companies may function as the purchasing department for a specific Ministry — most of Medicuba's buying activity, for example, is on behalf of the Ministry of Public Health.

The Cuban central planning organization, JUCEPLAN, establishes priorities in the country's overall import requirements and issues the necessary authoriza-

tions to the end user to enable the foreign trade companies to begin purchase negotiations. The National Bank of Cuba is responsible for the day-to-day management of Cuba's foreign currency reserves. It reviews all buying contracts and makes the required banking arrangements to ensure that payment obligations are promptly discharged.

Dealing with Inquiries — The Office of the Cuban Trade Commissioner in Montreal plays an active role in Cuba's purchasing program in Canada. Acting on behalf of the import company's head office in Havana, officials from the Montreal office will be involved in all stages of a commercial transaction, from making the first contacts with various suppliers and examining the specifications of products offered to contract signing and contract administration. This office is a busy one — if your firm receives a request for technical information, product specifications or a pro-forma quotation, you can be reasonably confident that there is a requirement either for the current year or interest in purchasing the product in the near future, and you would be well advised to provide the information requested so that officials in Havana have

full information on your company's products and prices. You should subsequently keep in touch with the Montreal office to determine whether a current requirement exists and whether your firm can bid on it. In addition, you should send two copies of your company's literature and copies of your correspondence with the Cuban Montreal office to the Commercial Division, P.O. Box 1515, Nassau, Bahamas. We will follow up on your behalf and keep you informed of on-the-spot developments.

Canadian exporters may also receive inquiries directly from the Commercial Division in Havana or through the Department of Industry, Trade and Commerce, Ottawa. You should forward the specified number of product brochures to the Commercial Division (using the Nassau postal address) so we can place these directly with the head office of the Cuban buying company and if possible ensure that these brochures reach the hands of end users and product specifiers.

At the same time, you should contact the Cuban buying office in Montreal, supply them with information on your product, prices and company and indicate that you have forwarded this material to us in Havana.

Cuban Companies and Their Representatives

All Cuban import companies are represented in Canada through Enrique Martinez Noa, the Cuban Trade Commissioner; all correspondence should be addressed to the appropriate company and its representative at the Trade Commission of Cuba, Suite 1200, 3737 Metropolitan Blvd. E., Ville St. Michel, Montreal 455 (telex 05-25-228; telephone: 514—725-5235). Here are the importing companies, their representatives and the products they handle:

ALIMPORT

Hugo Che Gil
Dr. Armin Pascual (technical adviser on cattle purchases)
Foodstuffs, feedstuffs, livestock, seeds

AVIAIMPORT

Manuel Gutierrez
Aircraft, navigation and airport equipment

CONSTRUIMPORT

Julio Gonzalez
Construction equipment, mobile or fixed

CONSUMIMPORT

Hugo Che Gil
Consumer durable goods, commercial, hotel and kitchen equipment, household, office and sporting equipment, appliances, small electrical items

CUBAHIDRAULICA

Julio Gonzalez
Irrigation equipment, stationary diesel motors

CUBAMETALES

Israel Tomas
All metals, non-electrical wire and tubes, fuels, lubricants

CUBAPESCA

Alejandro Suarez
All requirements for the fishing fleet and fishing industry

CUBATEX

Israel Tomas
Textiles, yarns, fibres, cordage, hides, leathers, footwear

EDUCUBA

Horacio Reyes
Educational equipment and supplies

EMPRESA DE FERROCARRILES DE CUBA (FECUIMPORT)

Julio Gonzalez
All equipment and supplies for the railway industry

FERRIMPORT

Carlos Dantin
Hardware supplies, plastic and rubber hose, plumbing

EMPRESA DE NAVEGACION MAMBISA (MAMBICUBA)

Hugo Che Gil
In addition to operating the Cuban merchant fleet, Mambisa buys all marine equipment other than fishing

MAPRINTER

Carlos Dantin
Pulp, paper, lumber, industrial non-alimentary raw materials of animal or vegetable origin, non-metallic minerals, refractories

MAQUIMPORT

Manuel Gutierrez
Machinery and equipment, industrial electrical and electronic items, radio and telecommunications equipment, measuring instruments

MEDICUBA

Israel Tomas
Equipment, raw materials and end products for medical, pharmaceutical, dental, veterinarian, hospital and laboratory use

QUIMIMPORT

Israel Tomas
Chemicals for all uses (fertilizers, pesticides, rubber industry chemicals, essences, flavors) except those handled by MEDICUBA

TRACTOIMPORT

Julio Gonzalez
All machinery and implements for agriculture

TRANSIMPORT

Manuel Gutierrez
All automotive, transportation, garage and service station equipment, components, replacement parts and supplies, engines, tires, batteries

U.S.I.E.

Manuel Gutierrez
All mining and oil drilling machinery and equipment

CUBACONTROL

Rafael Reyes
Supervises and controls import and export shipments; inspection in ports, plants or warehouses as required by Cuban companies or at request of foreign customers

CUFLET

Manuel Rodriguez
Leases foreign ships to handle Cuba's ocean traffic and programs all maritime transport operations. Acts both as commission agent and shipping agent.

EMPRESA DE NAVEGACION MAMBISA (MAMBICUBA)

Hugo Che Gil
Operates the Cuban merchant fleet

How to do Business —

- Always quote in Canadian dollars, f.o.b. Montreal or Saint John, N.B.
- Cuban buyers wish to deal on the basis of confidence with their Canadian suppliers. They value a close buyer-seller relationship. If you have done business with Cuba once, you are likely to do business with Cuba again.
- Provide the fullest possible information on your products, specifications and end use. In many instances, Cuban clients do not draw up tender documents which set out the complete specifications required. Buying specifications may be based on the literature, specification sheets and end use information which various suppliers have brought to the purchasers' attention. Invite your Cuban con-

tact or his principals in Havana to visit your plant. Offer to visit Havana to discuss specifications with clients.

- Cuban buyers are not looking for barter deals under which you might be expected to take delivery of Cuban merchandise in either Canada or a third country. Cuba's list of products for export is short, and extensive marketing efforts for these products are being made through the normal channels of export promotion and distribution. You may, however, be in a position to provide your Cuban contact with some help on other products for which he is seeking Canadian sources of supply. Your familiarity with Canadian industry and your personal contacts are based on years of experience; any information or assistance you can give

him will be appreciated.

- Some types of products, such as agricultural equipment, may require testing under Cuban conditions before large-scale purchase commitments are made. Exporters normally provide equipment for testing without cost with the Cubans undertaking all transportation arrangements. You should offer to send technical or operating personnel to Cuba during the time of the test to ensure that your equipment is properly demonstrated.

What to Expect — Exporters receive payment by irrevocable letter of credit on presentation of clean on-board bills of lading. Cuban open-account purchases are confined to small dollar value items, usually for rush orders or for spare parts. If



it is necessary to extend the date on the letters of credit, exporters may experience some delay in receiving advice of extension from the National Bank of Cuba. Experienced exporters have come to regard this as a routine element in the Cuban trade.

If you are asked to quote on a product for which detailed specifications are provided by the Cubans, you should examine these specifications very closely. It may be that the end user/specifier is not aware of substitute products with other specifications which would meet his requirement. You should endeavor to find out as much as possible about the end use requirement, preferably during a visit to Cuba itself. The specifier may not realize that new standards and specifications are in use in Canada; you should supply him with full information on end use applications in Canada. Both you and the buyer will be happier if any misunderstanding on product specifications can be eliminated at the outset. A trip to Havana is the best way to ensure that your product will fill Cuban requirements.

Cuba buys many products in Canada because we the closest source of supply. However, shipping capacity is limited, and products which have current priority in Cuba will receive preference in the allocation of shipping space. Canadian exporters have experienced delays in delivery of their goods to dockside. If you anticipate difficulties in storing the Cuban merchandise in your warehouse while waiting for the arrival of a Cuban ship, you should seek alternative solutions at the time you are negotiating the contract. Seasoned exporters are aware that the inability of the Cuban buying organizations to accept merchandise for delivery does not mean that the order has been cancelled or that you will not be paid.

Be patient. Despite the presence of the Cuban buying office in Canada, you are still dealing with an offshore market and it is frequently necessary to await replies from buyers and end users in Havana. Delays can be frustrating but the results are usually well worth the wait.

Cuba is one of the few markets in the world where the exporter can quote f.o.b. Canadian port, has no involvement in shipping and marine insurance arrangements and no worry about import permits, agents' commissions or customs tariffs. Experienced exporters have been pleased by their Cuban business. Sound business relationships based on mutual confidence lead to excellent prospects for repeat business.

A baby is being given anti-polio vaccine. The public health sector has been given a high priority. Local production of drugs and vaccines, however, is not sufficient and these are imported through the foreign trade enterprise MEDICUBA.



Cuba in 1970 bought Canadian wheat and flour to the value of \$38.1 million. Here part of a shipment of Canadian flour is seen being unloaded at the dockside in Havana harbor.



Cuba

Answers to Some Common Questions

In processing hundreds of commercial inquiries each year, the Commercial Division, Canadian Embassy, Havana, is in direct contact with a number of Canadian firms. The following are some of the most frequently asked questions:

How would you describe Canada's trade relations with Cuba? Canada maintains normal trade relations with Cuba and exchanges most-favored-nation treatment with Cuba under the terms of the General Agreement on Tariffs and Trade (GATT), to which both became contracting parties in 1948. Each country has trade representation in the other. Readers of *Canada Commerce* may be interested to know that Canada's first trade representative in Latin America was posted to Havana in 1895. Two-way trade between the countries in 1970 was more than \$68 million, with Canada enjoying a favorable trade balance of nearly \$50 million. In 1970, Cuba was Canada's twentieth largest world export market, and Canada's fifth largest market in Latin America.

Our company is a subsidiary of a U.S. company. What does this mean? United States Government regulations place restrictions on trade with Cuba when conducted by persons subject to jurisdiction of the U.S. authorities. These regulations, while not directly applicable to subsidiaries in Canada of American firms, may affect the involvement of U.S. citizens who are officers of these subsidiaries. Licences are required from the U.S. authorities to permit these officers to engage in trading activities with Cuba. Each year, increasing numbers of Canadian firms are active in servicing Cuba's import requirements. For further advice on how your firm can participate in this market, you should contact the General Director, Western Hemisphere Affairs Branch, Office of Area Relations, Department of Industry, Trade and Commerce, Ottawa K1A 0H5.

Are there any restrictions on exports to Cuba? If your company's products are of wholly Canadian content and are not of the type included under the Canadian Export Control list, you can export to Cuba without an export permit. If your product has any foreign components, you must comply with certain requirements of the Export Control list. Manufacturers who receive requests to quote on specific pieces of equipment should contact the Director, Industry, Trade and Traffic Services Branch, Department of Industry, Trade and Commerce, Ottawa K1A 0H5, for further advice.

How and when will we be paid? Cuba buys on an f.o.b. Canadian port basis, with payment by irrevocable letter of credit on presentation of clean on-board bills of lading. All quotations must be in Canadian dollars. Shipping and marine insurance are the responsibility of the buyer. The Canadian chartered banks and the Export Development Corporation, 110 O'Connor Street, P.O. Box 655, Ottawa K1P 5T9, have considerable experience in the Cuban trade and can provide any further information you may need.

What is competition like in the Cuban market? The greater part of Cuba's foreign trade is conducted with other socialist countries in non-convertible currencies; for many products, therefore, there are no sales prospects for suppliers from hard currency countries. Cuba is, however, an aggressive purchaser of a wide variety of merchandise from the hard currency area, including transportation equipment, machinery, electrical and electronic equipment, agricultural equipment, chemicals and fertilizers. The market is highly competitive, as Western European and Japanese industrial companies are aggressively pursuing business opportunities here. Many of these companies have been involved in the Cuban

trade over the last decade, and have established their reputation as reliable suppliers with fully competitive international prices.

Can Canadian companies compete? Canadian companies are in an excellent position to meet foreign competition. We are Cuba's closest highly industrialized trading partner. Shipping time from Canada is half that required from Western Europe. Cuban buyers and end users are familiar with a number of our standards, sizes and specifications; for many products we are a natural source of supply. In many industrial sectors, however, Cuban buyers are still unaware of the transformation which has occurred in the Canadian economy over the last decade. Canada's increased domestic secondary manufacturing capability has not yet been fully realized by Cuban decision makers, who express great interest in examining more offers from Canadian firms.

Cuban business is not a one-shot affair. Cuban buyers value highly close working relationships with their foreign suppliers, including assurance of delivery of spare parts, a forthright attitude in explaining new product specifications and end use applications plus the provision of technical personnel to advise on use and machinery utilization and maintenance. Competitive pricing is a must; Cuban buyers are tough negotiators, and, through the activities of their Trade Commissioners abroad, are fully aware of international trade conditions. In recent years, Canadian companies have demonstrated that Canada is competitive internationally and can meet all Cuban buying criteria. More Canadian companies should seek out the Cuban Trade Commissioner in Montreal and explore the marketing possibilities here.

Cuba

Market Opportunities

Automotive Equipment

Cuba is a large importer of virtually anything that moves on wheels — buses, trucks, trailers, etc. There are excellent sales possibilities for tires, batteries, replacement parts, components, sub-assemblies, servicing and repair equipment, etc. Buyers are familiar with Canadian-type specifications. Contact the TRANSIMPORT representative in the Cuban Montreal trade office. Major competition is from Western Europe and Japan.

Agricultural Equipment

There are excellent sales opportunities for virtually all types of short-line agricultural equipment. Mechanization is the key word in the agricultural sector, as Cuba strives for increased output and productivity. Cuban decision makers are aware of Canada's extensive use of agricultural equipment on large farm units and Canada is regarded as a natural and competitive supply source. Equipment should be sent to Cuba for testing and possible redesign for use under Cuban conditions. Volume purchases are common. Contact TRACTOIMPORT.

Cuban National Railways

Increased priority is being attached to the refurbishing of Cuba's extensive railway system, some 9,000 miles in length. Sir William Van Horne, the Canadian railway pioneer, was active in railway building in Cuba at the turn of the century. Canada is a natural source of supply — we have the manufacturing capability to supply virtually all Cuba's railway requirements, and we build to similar standards. If you are a supplier to one of the Canadian railways — rolling stock, signal devices, communications equipment, ties, spikes, rails, maintenance equipment, etc. — there is a potential market here. Contact FECUIMPORT.

Electrical and Electronic Equipment

Competition from Western Europe and Japan. Electricity supply for domestic consumption is 110 volts, 3 phase, AC 60 cycles; commercial and industrial supply

is 220 volts and 440 volts, 3 phase, AC 60 cycles. Equipment meeting CSA standards is acceptable. For electrical equipment, contact the CONSUMIMPORT representative; for electronic equipment, contact MAQUIMPORT.

Construction Sector

A large building program using prefabricated concrete elements is under way. Manufacturers of equipment used in prefabrication systems should find a market here. A huge highway building program requires earthmoving and asphaltting equipment. There is strong competition from Europe and Japan. Contact CONSTRUIMPORT.

Veterinary and Pharmaceutical Products

Competition from both Eastern and Western Europe. Domestic production insufficient to meet local requirements. Public health sector has received priority

in recent years. Animal health considerations are important in view of significant Cuban investment in extensive livestock programs. Contact MEDICUBA.

Mining Industry Equipment

There is increasing interest in Canada as a source of supply but competition from Eastern and Western Europe and Japan is strong. Drilling equipment, slurry pumps and ventilation equipment are needed. Contact the USIE representative.

This market opportunity list is not exhaustive. For an assessment of the market possibilities for your own company's products, contact the Commercial Division, Canadian Embassy, Havana. Send three sets of your product brochures, indicative f.o.b. Montreal prices, to Commercial Division, c/o P.O. Box 1515, Nassau, Bahamas.



This Cuban youngster obviously takes pleasure in the task of hand-raising a young calf. Farming is still the mainstay of the country's economy.

Cuba at a Glance

Area: 44,200 square miles.

Population: 8.5 million (1970 census); 39 per cent rural, 61 per cent urban.

Climate: subtropical; cooler season November/March.

Language: Spanish. The state trading companies can correspond in English and French. Visiting businessmen will be provided with interpreter facilities. Where feasible, however, both correspondence and literature in Spanish are recommended.

Currency: peso; only used internally. In January 1972, the approximate rate was 1 peso = Cdn.\$1.06.

Foreign exchange controls, import controls, customs duties, documentation, etc.: all purchasing is done by the State and Canadian exporters need not concern themselves with customs duties, import licensing, etc. They should follow the instructions of the Cuban trade office in Montreal regarding the required documentation for specific export orders. Once the National Bank of Cuba, which controls the country's convertible currency reserves, has examined and approved the proposed purchase contract, it will allocate the necessary funds to cover payment. Exporters should adhere to the directions they receive from the Cuban trade office in Montreal concerning any regulations, restrictions or required certificates. Cuba is particularly strict where shipments of products of vegetable and animal origin are concerned.

Weights and measures: metric system.

Capital: Havana.

Chief ports: Havana, Cienfuegos, Santiago de Cuba, Mariel, Matanzas, Cardenas.

Marketing centers: Havana (population of Greater Havana, 1970 census, 1.7 million); other important centers are Santiago de Cuba, Santa Clara, Guantanamo, Camaguey, Cienfuegos, Holguin, Pinar del Rio, Matanzas, and Cardenas.

Economy: agriculture is the dominant economic activity: the main crop is sugar, with tobacco, citrus, coffee, cattle and swine programs under development. Cuba has a growing fishing fleet, extensive nickel reserves and a small manufacturing sector.

Electrical standards: CSA standards are acceptable; domestic power supply is 110 volts, 3-phase, A.C., 60 cycle; commercial and industrial supply is 220 volts and 440 volts, 3-phase, A.C., 60 cycle. Voltage is subject to considerable fluctuation.

Internal transportation: an extensive railway network; new inter-city highway program under construction; Cuban airline, Cubana, serves major cities.

Chief imports: industrial plants and machinery, agricultural and construction machinery, fertilizers, paper, chemicals and drugs, transportation vehicles (buses, trucks, etc.), foodstuffs, communications equipment, cattle, raw materials including petroleum.

Chief suppliers: U.S.R.R., France, Czechoslovakia, East Germany, Britain, Bulgaria, Spain, Poland, North Korea, Canada, Romania, Yugoslavia, Japan, Hungary, Mexico.

Value of imports from Canada: 1970 — Cdn.\$58.9 million; 1969 — Cdn.\$40.7 million.

Chief imports from Canada: (Cdn.\$ million) 1970 — wheat and flour 38.1, skim milk powder 4.7, cattle 2.5, nuts and bolts 1.3, seed potatoes 1.2.

Total Cuban exports: 1968 — pesos 650 million, 75 per cent of which was directed to socialist countries.

Chief exports: sugar (about 85 per cent of over-all exports); molasses, tobacco, cigars, lobster and shrimps, rum, citrus, nickel.

Chief markets: U.S.S.R., Spain, Czechoslovakia, East Germany, Bulgaria, Japan, France, Britain, Romania, North Korea, Poland, Yugoslavia, Hungary, Canada.

Value of Canadian purchases: 1970 — Cdn.\$9.5 million; 1969 — Cdn.\$7.8 million.

Chief Canadian purchases: (Cdn. \$ million) 1970 — raw sugar 4.8, molasses 1.2, shrimp 1.0, lobster 0.8, cigar leaf tobacco 0.6, cigars 0.2.

Prices: quote f.o.b. Montreal or Saint John, N.B., in Canadian funds.

Usual payment terms: irrevocable letter of credit; payment on presentation of clean on-board bill of lading.

Correspondence: airmail only.

Shipping services: Canadian exports to Cuba are carried on Cuban flag vessels, vessels under charter to the Cuban fleet or vessels from other countries calling at Canadian ports prior to departure for Havana. The principal ports used are Montreal and Saint John, N.B.

Air services: there is no direct scheduled air service between Canada and Cuba. Cuba is serviced by flights originating in Mexico, Santiago de Chile, Prague, Moscow and Madrid.

Trading practices: foreign trade is a state monopoly; all official import and export companies are represented in Canada at the Cuban Trade Commission, 3737 Metropolitan Blvd. E., Ville St. Michel, Montreal 455.

Samples: unaccompanied samples should be sent to Cuban Trade Commission, Montreal.

Visas: no visa required to enter Cuba; if you are returning to Canada via Mexico, you will require a Mexican entry permit obtainable only from Mexican authorities in Havana (bring three passport pictures); on re-entry to Mexico from Cuba, the duration of your stay cannot exceed five days.

Inoculations: international smallpox vaccination certificate; TAB vaccination is advisable.

Trade agreements: Cuba is a member of GATT. The bulk of its trade, however, is with socialist countries in non-convertible currencies. Trade protocols are negotiated with each on an annual basis.

For detailed information on this market, write to: Western Hemisphere Affairs Branch, Office of Area Relations, Department of Industry, Trade and Commerce, Ottawa K1A 0H5, or Commercial Division, Canadian Embassy, Havana, Cuba, c/o P.O. Box 499 (HVA), Ottawa, Ontario K1N 8T7.



An ambitious development program is under way to stimulate the production of milk, beef, swine and poultry. In the last 10 years, Cuba has bought 36,000 head of swine from Canada. Here is a typical pig farm, with its sheds and surrounding exercise yards.

Cuban cattle take a shower. In the last decade more than 32,000 head of cattle have been shipped to Cuba from Canada.



Cuba

Planning Your Visit

Cuban buying organizations in Havana welcome Canadian businessmen, but only after they have made direct contact with the Cuban Trade Commissioner in Montreal, and have been advised that a business visit would be worthwhile. Unsolicited business visits to Cuba are not recommended. If the chance of a business visit to Havana is brought up, you should take it at the earliest opportunity. Under a centralized, state-controlled purchasing system there tend to be several administrative and working levels between you and the Cuban end user, and direct contact is the best way to do business.

Exporters who have had dealings with state trading systems in other countries may have encountered difficulties in meeting end users. These difficulties arise largely because of unsolicited business visits. The Cuban situation is different because the Cuban Trade Office in Montreal (3737 Metropolitan Boulevard East, Ville St. Michel, Montreal 455) effectively screens potential business visitors before they leave for Cuba. As a result, you should experience relatively little difficulty in establishing contacts with end users and product specifiers in Cuba, provided you have first gone to the Montreal office.

Most business visitors find that the November to April period is the best time to visit Cuba. Light-weight clothing is advisable. Take lots of short-sleeve shirts and slacks. Aside from contacts with senior officials, jackets and ties are not worn, and concern with comfort is the order of the day. Wash-and-wear fabrics are desirable; laundry service in the hotels should be used with caution, as 10-day service is



Shown here is part of La Rampa, the centre of Havana's shopping and business district. Havana, the capital and one of the chief ports, has a population of just over 1.5 million.

not uncommon. A bathing suit is a must.

There is no direct connection by air between Cuba and Canada. The Cuban airline, Cubana, has regular Monday and Friday return flights to Mexico City. You should make your return flight reservation in Canada, but this can only be confirmed after your arrival in Havana. Cuba also has air connections with Madrid, Prague, Santiago de Chile, and Moscow.

You must have a valid Canadian passport, and an international small-pox vaccination certificate. Businessmen do not require visas to visit Cuba.

In order to enter Mexico from Canada, you will require a Mexican tourist card, which can be obtained from your airline prior to departure. You should note that on re-entering Mexico from Cuba, the duration of your visit in Mexico cannot exceed five days. Note also that you will need three passport photos for use with the Mexican authorities in Havana when obtaining permission to re-enter Mexico, and that these re-entry permits can be obtained only from the Mexican authorities resident in Havana.

Bring Canadian dollars or Canadian-dollar travellers cheques. Credit cards and U.S. dollar travellers cheques are not acceptable. Be sure to retain all exchange slips you receive after exchanging money for Cuban pesos, as you need these to re-convert any unspent Cuban pesos prior to

your departure. Tipping is not required.

Businessmen are advised to take their complete requirement of such items as razor blades, shaving cream, reading material, film, pen refills, etc. as most of these items are not available locally.

All hotel and transportation arrangements will have been made for you through the Cuban Montreal trade office prior to your departure.

On arrival, you will be met by a representative of one of the foreign trade companies who will help you to change money, explain Cuban passport formalities and escort you to your hotel.

Don't expect a written itinerary to be handed to you on arrival. The pattern of your business calls will become apparent in due course. In the initial business meet-



Mailing Address for Cuba Office

Canadian businessmen writing to the Canadian Government Trade Commissioner in Havana are asked to use this new mailing address:

Mr. John Hill
Second Secretary
Commercial Division
Canadian Embassy, Havana
c/o P.O. Box 499 (HVA)
Ottawa, Ontario. K1N 8T7

Trinidad, on Cuba's south shore, was founded in the early sixteenth century. Its old colonial buildings and cobbled streets have been preserved as tourist attractions.

ing on the day after your arrival, you should indicate your range of interests and the contacts you desire. Cuban buying companies receive many visitors every year and, although you will have had discussions with the Cuban Office in Montreal regarding your itinerary, you should restate your interests in this first meeting in Havana.

You will be able to meet the desired end users and product specifiers in subsequent meetings. You should also be able to obtain a more accurate indication of current Cuban requirements and of the competitive situation.

In a number of product lines, Cuba is both a manufacturer and an importer. Domestic production is often not sufficient to supply the local market. If you are asked to visit a local production facility, do so. Any advice or comment you can offer will be appreciated by the Cuban authorities. Be constructive, but realistic. There is often a close relationship between the export of your company's products and the flow of technical information and advice as well as the training of Cuban officials. Your visit affords the opportunity for Cuban officials to up-date their awareness of industrial developments abroad. A forthright attitude will be appreciated and may enhance your company's sales prospects.

Bring as much product and technical information with you as you can. Pictures, diagrams and specification sheets almost always overcome any language barriers. If a camera is normally useful on your sales trips, bring it along, and advise your Cuban hosts of the pictures you wish to take.

Because of difficulties in arranging transportation, virtually all arrangements will be made by your hosts. Entertaining is usually done over dinner when you will have the opportunity to get to know your Cuban hosts in relaxing circumstances. If you are a baseball fan, suggest you would like to see a game in the Latino Americano stadium, site of the recent World Amateur Championship. Spectator events vary from rodeo to ballet. Check with your hosts to see if tickets are required and how transportation can be arranged. Excellent bathing beaches lie to the east of Havana.



Developing an Export Market

ROBERT McDOUGALL
Canada Commerce

World markets for Canadian goods and services must be maintained and developed if Canada is to keep pace with other trading nations — a task that won't be easy. Currency realignment, an expanding European Economic Community and a shift in the trading policy of the United States have contributed to a climate of keen competition in world trade.

To help to meet this challenge and to encourage Canadian businessmen, the Department of Industry, Trade and Commerce has introduced a Program for Export Market Development. This is a dynamic program and since its birth a year ago it has grown to the point where it now offers four forms of financial assistance to encourage firms to export and to develop markets abroad.

Initially, the program consisted only of Section A, Incentive for Participation in Capital Projects Abroad, but a few months later Section B was added. Section B has two separate operations: Market Identification, which can assist firms to research specific markets, and Marketing Adjustment which provides help in adjusting to unfamiliar market conditions.

Sections C and D, Participation in Trade Fairs Abroad and Incoming Foreign Buyers, were added only recently.

Participation in Capital Projects Abroad

Section A — The objective of the Incentive for Participation in Capital Projects Abroad is to increase Canadian participation in foreign capital projects by sharing with companies approved expenses incurred when competing during the pre-contractual phases of approved projects.

The term "capital projects" includes facilities, systems and other complexes the construction of which entails the provision of skilled services, engineering products and other capital goods. Examples of such projects would include production plants, electric power projects, forest development, mining and ore operations and facilities, communication and transportation systems and aerial surveys for resource or mapping purposes.

To be eligible a project must be specific (actual or potential) and apply to goods or services for which competent Canadian sources already exist, it must have significant Canadian content, a reasonable probability of success and appear financially sound. It is desirable also that the project provide opportunity for follow-on business.

If an application is approved, the Department will provide a contribution covering 50 per cent of the expenses incurred by the company in the pre-contractual phases of competing for the project. These expenses may include the cost of onsite investigations, exploratory studies, the purchase of tender documents, and the many man-hours of calculations and paperwork connected with preparing a bid.

If a company succeeds in obtaining the sought-after business, it must repay the Department's contribution; if not, no repayment is necessary. A company repaying the Department's grant must make two equal payments, the first six months after the date of successfully obtaining the contract and the second six months later.

Market Identification Marketing Adjustment

Section B — The objective of this section is to bring about a sustained increment in the export of Canadian products, especially manufactured goods. The term "Canadian products" is intended to describe all goods which contain a significant level of manufacturing activity in Canada.

Part one of this section, Market Identification, covers situations where a company is generally aware of an opportunity in a foreign market, but is unable to make more definite plans without special study, the cost of which represents a barrier.

Part two, Marketing Adjustment, covers initial adaptation to unfamiliar marketing practices. Examples are such things as translation of sales literature, provision of specialist technical advice, establishment of after-sales service, study of special sourcing requirements set by potential customers and unusual product demonstration requirements.

The incentive under Section B is applicable to all markets outside North America (Canada and the United States). Collaborative applications involving more than one company or a trade association are eligible. Applications concerning Canadian services are eligible where it is shown that they could result in a subsequent increase in purchases of Canadian products.

The Department's contribution will normally be 50 per cent of the costs incurred by a firm undertaking work necessary for market identification or marketing adjustment. Progress payments will be available during the work.

If a company that has received assistance is successful in obtaining export business of the kind described in its application, repayment of the Department's contribution is required. This repayment takes the form of 1 per cent of sales of the products during a period of three years, to the total amount of the contribution. No repayment is required if a firm has been unsuccessful in getting business.

Participation in Trade Fairs Abroad

Section C — The aim of this part of the program is to achieve a sustained increment of exports of Canadian goods and services by increasing the level of participation by individual Canadian companies in trade fairs outside Canada. Assistance given is in addition to the Department's program of establishing a national booth at selected trade fairs.

Applications for assistance under this section, Participation in Trade Fairs Abroad, will be considered if they apply to goods and services of substantial Canadian origin and if they demonstrate an extension of the past efforts of the applicant firm in the export field. →

Applicants must supply the Department with details showing that there is a reasonable probability of obtaining a market for the products to be exhibited; they must project a reasonable three-year sales objective for a geographical area related to the trade fair in question; and they must substantiate their qualifications to participate, describing in general terms the proposed exhibit and providing an estimate of the cost of their participation.

If an application is accepted, the Department will normally pay 50 per cent of costs incurred by the company in participating in the trade fair. Progress payments will be made in response to approved claims.

Repayment of the Department's contribution will be required at the rate of one per cent of sales of the products concerned made in the region concerned during a period of up to three years to the total of the contribution.

Incoming Foreign Buyers

Section D — The aim of this section of the Program for Export Market Development is to encourage firms to invite potential foreign buyers to visit their plants. The term "foreign buyers" is intended to describe individuals who have a major purchasing responsibility for the products or services concerned and who are located outside Canada and the United States. Under this section, the Department will contribute one half the round-trip economy air fare for the buyer or buyers from the country of origin to an agreed destination in Canada and will contribute \$25 per buyer-day while in Canada.

If a company is successful in obtaining export orders, terms of repayment will be the same as in Section C.

General eligibility — There are a few qualifications every company must possess no matter under which section it is applying. It must be currently established and operating in Canada. It must have the ability, or be able to demonstrate the potential, for competitive performance in foreign markets for the products or services concerned. And it must have satisfactory financial and management strengths.

It is generally advisable to contact a departmental representative informally before preparing an application. Potential applicants should also ensure that they have the most recent information on the various sections of the program since this explains the application procedure in detail.

To get this information on sections A and B write to the Program Office (Mar-



Some of the members of a mission from Southeast Asia study drawings at a plant in British Columbia. Individual companies can now receive help from the Department in bringing in foreign potential buyers to visit their companies.



Visitors to the Packaging Machinery Show held recently at Atlantic City examine and discuss exhibits being shown by Price & Knott Manufacturing Co. Ltd. of Westhill (centre) and H. S. Langen & Sons of Toronto (right). More than 17,000 visitors attended the Atlantic City show and the 10 Canadian manufacturers who exhibited returned to Canada with more than \$300,000 in orders. Under Section C of the Program for Export Market Development, companies are encouraged to participate in trade fairs outside Canada.

ket Activity), Department of Industry, Trade and Commerce, 112 Kent Street, Ottawa, Ontario K1A 0H5.

To get the information on sections C and D contact the Special Projects Divi-

sion, Fairs and Missions Branch, Department of Industry, Trade and Commerce, 112 Kent Street, Ottawa K1A 0H5.



What have you done lately about exporting?

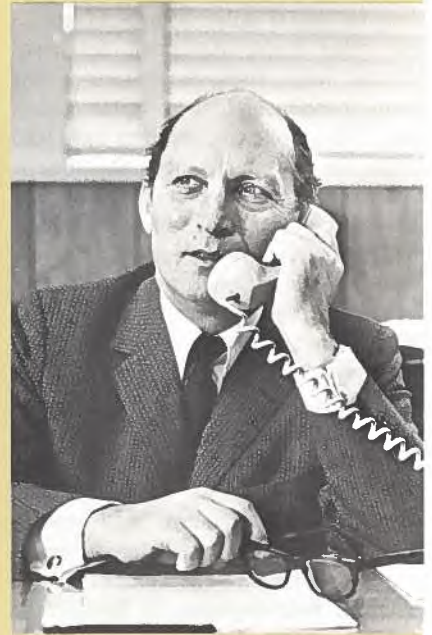
There's an export market for all kinds of Canadian goods that with careful planning and hard work can yield good returns. One man tells how his company did it.



Export expert Harry Hargreaves...



"Good customer relations..."



...start with good agents".

MARION C. SMYTHE, Assistant Editor, *Canada Commerce*

Meet the Vice President, TMC Corporation; the Director, International Marketing, TMC; the Vice President, TMC (Western Hemisphere); and the Managing Director, TMC Systems AG (Switzerland): Harry Hargreaves, a man of many roles whose company — The Technical Materiel Corporation — manufactures and exports a wide range of specialized electronic equipment for use in aviation, transport, communications and meteorology.

TMC was established 25 years ago but in the last four exports have grown

from 20 per cent to 50 per cent of total company sales. It now has representatives in 45 countries and is selling equipment in more than 100. This is the result of a concerted international marketing effort on the part of the company. *Canada Commerce* interviewed Mr. Hargreaves in his role as Director of International Marketing to find out just what was involved.

"My four titles are a good place to start explaining what we do as an exporting manufacturer and how we do it," he said. "The key word is flexibility. We have contracts with firms all over the world and we've found it easier to do business in

foreign countries if we have a decentralized operation. On the other hand, I represent the company as a whole when it comes to international marketing."

Corporation headquarters are just outside New York in Mamaroneck but there are subsidiaries in Canada, Lucerne, Switzerland, Virginia and Arizona. The Swiss office handles Europe, Africa and the Middle East; the Western Hemisphere offices in Buenos Aires and New York look after Latin America, and New York is also responsible for the Pacific and the Far East. The Canadian subsidiary, origi-



nally a sales outlet, now has its own engineering and production facilities and houses the international marketing division for the company. "We selected Canada as our international marketing base because we wanted to increase our Canadian export sales in line with our U.S. export sales," Mr. Hargreaves explained.

It's a telling statement, because TMC's export marketing arm works hard at getting and keeping customers. It starts with "first-class agents" who either handle TMC products exclusively or are hired on a case-by-case basis, and their business is to keep in constant touch with TMC customers.

Backing them up is Mr. Hargreaves himself, who so far this year has logged close to 30,000 miles visiting Argentina and other Latin American countries, Mexico, Italy, Switzerland, Greece and Spain, spending up to three weeks on each tour. "Many of our customers have told us that the visits our agents make alone or with me are often far more frequent than those made by manufacturers located in the customer's own country," he explained, "and it impresses them. And then, my travelling keeps me in close touch with our agents about marketing TMC products."

Another part of the TMC success story is the company's ability to put people into a country in a hurry. This is especially important in the electronics field where technical problems may arise in connection with the installation or operation of equipment. The company has a group of field engineers in Switzerland and flies other technical staff anywhere in the world as soon as they are needed.

The company's credo of constant personal contact also provides the guidelines for the way it keeps customers informed of new products and services. The company mails product information brochures to a carefully selected list of about 1,400 people who use or could be in the market for TMC equipment. This list is periodically updated by reference to *Interavia*, the annual *World Directory of Aviation and Astronautics*, and through company contacts with customers by an agent or at a trade show.

The company finds trade shows particularly useful. TMC was, for example, one of 12 Canadian companies which, under the auspices of the Canadian Government, participated in *Telecom '71*, an international communications equipment show held in Geneva in June last year. The show, which drew hundreds of delegates from 110 countries, attracted a re-

cord number of visitors to the TMC booth because of the effort the company had made. Every delegation was contacted prior to the show, informed of TMC products to be displayed that would be of particular interest to them, and invited to attend. During the show itself, each visitor to the booth (manned by multilingual salesmen) was presented with the company's technical book on single-sideband which normally sells for \$10.

"Government-sponsored participation in trade shows can be very useful to both the small and the large Canadian exporter," Mr. Hargreaves said. "It gives them an entree to a new market or the chance to expand in an already existing one at a fairly low cost. But too often the company's efforts end there. They do no publicity of their own. They make no contacts with customers or potential customers before the show. They do no follow-up. They have to expect that the results are going to be proportionate to the work they put in.

"We go into these shows to exploit them to the maximum. It's question of common business sense — we have to get out of them what we put into them in terms of time and money, and so we use the show as a base that we build on to get our customers."

Unlike many exporters, TMC also has its own trade show program. In 1970, for example, it sent a truck all over Europe with a travelling display of TMC equipment. Pre-fair publicity and display arrangements were handled by company agents in each of the cities on the itinerary and invitations were sent out in advance to prospective customers.

"Shows are useful because they allow us to zero in on a customer's area of interest and also get our name into their heads," Mr. Hargreaves explained. "In all our customer dealings, the most important thing is what they tell us they want. Once we know this, we can follow up with direct mailings and through our local agent."

His advice for Canadian manufacturers who want to capitalize on the export market? "We have a large organization that can support this particular type of marketing effort, but the principles of personal contact and follow-up hold true whatever the size of the company. A smaller company can often supply goods or services required by larger ones to carry out a contract. Sometimes as much as 70 per cent of the equipment used in TMC systems, for example, is manufactured by other companies and we often make joint bids with them on contracts.

"Another possibility is a system that's being used in the U.S., where a large organization with a fully fledged marketing operation will arrange to handle the marketing for six or seven smaller companies with non-competing products who can't afford to build up a marketing expertise individually.

"But for the company who wants to get into the export business on its own, the place to start is with good agents. All the letters, phone calls, telexes or personal visits in the world can't replace on-the-spot representation. TMC built up its export business on this basis and if I were starting all over again, I'd do the same thing.

"Go to Statistics Canada and find out where your type of product is selling best. You may come away with a list of seven or eight countries. Contact the Canadian trade commissioners in these countries, tell them what you want to sell there and that you are looking for representation. Then use *Canada Commerce* or its equivalent in industry or government in the countries you're interested in. Allow two or three months for prospective agents to reply, get in touch with them with detailed questions on the way they operate. This will help you thin the field — you might not even get a reply from some of them, or you'll discover they're already handling a large number of companies and it's not likely they're going to have the time to look after your products properly. The next thing is a personal visit to those agents you've narrowed it down to — add for the minimal excess baggage costs involved, take your product literature and samples with you. When you're talking over the table with them, you'll be able to find out whether they're enthusiastic amateurs, just interested in a quick dollar, or are experienced traders. If all goes well, you might end up signing a contract before you leave.

"One other point — once you have your agents, don't expect to see too many results for about a year. In practically all parts of the world, business is conducted at a slower pace than it is in North America. What might take a week in San Francisco could take three in Athens. Your agent, if he's good, will conduct your business on that basis.

"And never bypass your agent in dealing with your customer! It's happened to us unwittingly a few times, and we've only ended up with a very puzzled customer and a very cross agent. Use your agent. He is your company abroad."



Canadians Search for Agricultural Markets in the U.S.S.R.

DON R. MOFFAT, Mechanical Transport Branch



Combines at Taganrog. Food production methods in the U.S.S.R. are similar to Canada's, and Canadian agricultural equipment can help meet Soviet agribusiness needs.

Twelve Canadian government and business officials visited the U.S.S.R. recently to examine agricultural production and processing methods. Their primary objective was to find out if opportunities could be developed between Canada and the U.S.S.R. for mutually beneficial exchanges of information and technology that could lead to licensing agreements and sales.

The interests of the mission members ranged from marketing agricultural inputs (fertilizer, farm machinery, process equipment, etc.) to the more scientific aspects of agricultural production, such as assessing the nutritional composition of animal feeds and increasing digestible protein content in oil seeds.

The mission left Moscow in two separate teams to Krasnodar and Rostov, regrouped in Kharkov and completed its tour at Tula and Moscow. Members visited farm machinery factories, meat processing plants, state and collective farms, research centres, feed mills and chemical complexes.

The mission noted that Canada and the U.S.S.R. shared many common agricultural problems because of similar climatic and geographical conditions. The crops grown, harvesting methods, tillage practices and, in fact, nearly all aspects of food production are much like they are in

Canada. But the range of crops is greater in the U.S.S.R. In the Republic of Georgia, for instance, rice and citrus fruit is grown in addition to such things as cereal grain, oil seeds, potatoes, tomatoes, sugar beets, and tobacco.

At Taganrog on the Sea of Azov mission members visited the principal Soviet combine factory, a highly integrated operation producing and assembling nearly all the components for Soviet combines.

The Russians have improved their combines through internal research and by the acquisition of licences and designs from other countries. But they are convinced that the use of separate engines for each operation is not efficient and are developing a single chassis for use in a number of operations, including harvesters for grain, potatoes and beets, as well as for transport.

The mission saw a tractor plant at Kharkov that is integrated vertically, with only "add-on" parts such as batteries and lights being manufactured elsewhere.

The average size of farm tractors in the Soviet Union is approximately 62 h.p. but the use of more powerful ones is increasingly favored. The group examined a prototype of the new 150 h.p. tractor which will be produced in a variety of models — crawler and wheeled agricultural units as well as skidders, log loaders

and highway tractor units. The models seen were heavy (more than six and a half tons) and rugged. The agricultural units are designed to pull five 12-inch bottom ploughs at a depth of 20 centimeters. The use of wheeled tractors is increasing as opinion shifts away from the belief that soil and climate conditions require crawlers for greater efficiency and productivity. Like their Western counterparts, Soviet designers are trying to lessen vibration and noise levels in tractor cabs and are particularly concerned with decreasing the total tractor weight relative to horsepower.

The Canadians saw wheeled and crawler diesel tractors — from 50 to 250 h.p. — on state and collective farms in the Krasnodar area. Other equipment used on these farms included grain drills with double disc openers, combines for harvesting grain, castor beans and sugar beets, and corn and forage harvesters and blowers.

Hog fattening barns there are fully mechanized for cleaning and feeding. Feeding is done from a central conveyor to a pen on either side, and cleaning, along alleys under a section of slotted floor near the feeders, is done partly by flushing and partly by mechanical conveyor. The slurry is carried out to lagoons from



where it is taken by tanker for spreading on the land.

One farm in this area maintains a milking herd of 1,000 cows which are milked in three parlors of the herring-bone type with a central pipeline.

There is extensive production of greenhouse vegetables. As well as the normal greenhouse operation, the use of hydroponic systems is increasing rapidly. About 20 per cent of the fresh vegetables sold in Moscow are grown by hydroponics.

In discussions with the All Union Academy of Agricultural Sciences the mission learned that the Academy conducts fundamental research in agriculture through its institutes and co-ordinates the work of all other institutions engaged in agricultural research. There are 35 distinctly different agricultural production and climatic zones, and crops grown vary substantially throughout the U.S.S.R. The research work also varies according to the zone.

The Pustovoi Institute in Krasnodar has recently developed a new sunflower harvesting attachment for combine harvesters. The attachment cuts off the heads, thrashes the seeds and collects them in a hopper. It also cuts off the stems about four to eight inches above the ground, chops them into fragments and

spreads them around the field. With this attachment, it is possible to reduce harvesting losses to about 20 per cent and labor costs to 25 per cent of what they were with the old methods.

The U.S.S.R. is working on the development of a tomato combine and is attempting to produce varieties of tomatoes that ripen uniformly so that mechanized harvesting will be easier.

Mechanical harvesting is apparently the weakest point in potato production. Potato harvesters there work well on sandy soil but are not satisfactory in clay soils. Their potatoes are harvested mainly with digging machines and picked up by loaders and conveyors. Authorities indicated interest in receiving information about Canadian potato harvesters.

There are preliminary indications that substantial trade could be developed between Canada and the U.S.S.R. in the agribusiness field. The Soviet authorities have shown interest in investigating foreign sources of supply for their increased equipment requirements for the 1971-75 five year plan. In this period, the U.S.S.R. hopes to increase its agricultural production by 20 per cent. In September 1972 a major agricultural equipment trade fair is scheduled for Moscow to which foreign exhibitors have been invited. It has been suggested that this indicates a desire by

the U.S.S.R. to purchase rather than manufacture agricultural equipment.

Soviet officials stated that a recent U.S.S.R. mission visiting Canada has noticed a number of possible sources of agricultural equipment and technology in Canada. However, Canadian firms must act quickly to capitalize on these opportunities as U.S.S.R. production will increasingly supply Soviet agribusiness needs.

How can Canadian manufacturers of agricultural equipment develop sales in the U.S.S.R.? There are a number of ministries with varying degrees of responsibility for deciding whether agricultural equipment should be imported from foreign sources or supplied from local production. The State Committee for Science and Technology, the Ministry of Agriculture, the Ministry of Tractor and Agricultural Engineering, the Agricultural Research Institute, the All Union Association responsible for agricultural inputs and the Ministry of Foreign Trade can all be involved in determining which machines in what quantities will be used on state and collective farms.

The Agricultural Research Institute develops the technology of agricultural production and harvesting including the machines that are required. It is responsible for developing prototypes and supplying technical information to the Ministry of Tractor and Agricultural Machinery.

Industrial designs (i.e. test prototypes) are produced by the Ministry of Tractor and Agricultural Machinery for testing in various areas by a variety of organizations under the direction of the Ministry. If the performance is satisfactory, a limited number of production models are manufactured by the Ministry for state testing by the All Union Association. If the testing is successful, the Ministry of Agriculture, in co-operation with the Ministry of Tractor and Agricultural Machinery and the All Union Association, determines the number of machines which will be needed to reach the production goal. The All Union Association is responsible for supplying these machines which can be provided either by the Ministry of Tractor and Agricultural Machinery or alternative sources. The Association is also responsible for operational testing under actual field conditions as well as for repair parts and service.

The State Committee for Science and Technology is very influential. It has almost complete authority to direct ministries in the application of advances in science and technology to industry. This authority translates into recommenda-



Canadian Herefords and Grey Ukraines share pen outside the Institute of Animal Breeding at Kharkov, about 400 miles south of Moscow. Livestock cleaning, feeding and milking operations are highly mechanized on state farms.



Vegetables grow in sunlight, water and nutrients at the White Dacha state farm near Moscow. Hydroponic systems produce about 20 per cent of Moscow's fresh vegetables.

tions to the production ministry (the Ministry for Tractor and Agricultural Machinery) to use certain machinery and equipment available from Western countries. When this Ministry is convinced of the benefits of recommended equipment, it then authorizes the ministry for Foreign Trade to negotiate the actual purchase.

The Ministry for Foreign Trade is not usually an initiator in the supplier identification process, being more often confined to a purchasing agent role. However, it does learn of new products as part of its role of investigating all possible suppliers of requested equipment. This information is then passed to the appropriate ministries for consideration.

There are a number of factors Canadians should consider in developing sales with the U.S.S.R.

Unless the Ministry for Foreign Trade is known to be seeking a supplier for specific equipment, Canadian firms wishing to export agricultural equipment to the U.S.S.R. should make contact with most of the decision-making bodies noted above, because equipment capabilities not already known to them will require their backing before definite purchase recommendations can be made.

Canadian firms must not only prove the technical merit and competitive standing of equipment offered but must also

assure the buyer of adequate production capacity and sourcing. Sales-licensing contracts require much more detailed company information including engineering capability, test facilities, research and design methods and management practices.

How to Find What You Want

Two recent publications are well worth the attention of Canadian businessmen. The first, *1972 Canadian Trade Index*, probably needs no introduction. It is a directory published by The Canadian Manufacturers' Association and gives a detailed account of more than 13,000 manufacturing companies across Canada. It is brought up to date annually to keep prospective buyers and sellers aware of what is being manufactured in Canada. With approximately 10,000 detailed product classifications, it enables purchasers to get in touch at once with the manufacturers of the goods desired. *Canadian Trade Index* is available from the publishers and costs \$36.

The second is a booklet published by The Canadian Chamber of Commerce. The title, *Sources of Information for the Canadian Businessman*, gives a very good indication of what it's all about. Do you know where to apply in government circles for specific information? What books are available or have recently been published? How to make full use of the services of your local library? Do you know how many

Canadian firms should have their technical experts meet with the officials of the Ministry for Foreign Trade, at least during the initial stages of contract discussions. Soviet authorities prefer to discuss business matters with "technical equals" and dislike presentations from sales-oriented personnel who do not have considerable technical knowledge about their products.

When the equipment to be purchased is a high-priority import, normal commercial terms can be expected. If the equipment is of lower priority, companies may have to work out softer terms even to the point of a barter transaction. The Soviet Union's scarce reserves of convertible currency impose this kind of trading framework. Certainly a Canadian company able to take payment in kind (e.g. tractors for agricultural equipment components) has a definite sales advantage.

Doing business with the U.S.S.R. is not easy and demands flexibility, hard bargaining and persistence. But Soviet requirements are large and the effort can pay off richly. Canadian suppliers of agricultural equipment who are interested in selling in the U.S.S.R. should contact the Canadian trade office in Moscow (Commercial Counsellor, Canadian Embassy, 23 Starokonyushenny Pereulok, Moscow, U.S.S.R.) and the Mechanical Transport Branch, Department of Industry, Trade & Commerce, Ottawa, Ontario K1A 0H5 for further information.



Argentina Comes of Nuclear Age

Canadian manufacturers of nuclear and accessory equipment will have a good opportunity to participate in Argentina's nuclear power plant development program.

E. O. KNOWLES, Commercial Officer, Buenos Aires

Nuclear power plants will play an important role in Argentina's future development. Endowed with large resources of natural uranium, the country is embarking on a nuclear program to have several natural uranium-fed plants in operation by 1980. These plants would have a total capacity of 1,900 Mw — enough power to light up a city of 1.5 million.

The country has already taken its first step on the road to nuclear power plant production. A 319 Mw-plant — Latin America's first nuclear power station — is nearing completion at Atucha about 60 miles northwest of Buenos Aires and is expected to be commissioned in 1973. The plant has one reactor fuelled with natural uranium and uses heavy water as a moderator and coolant.

In the Province of Cordoba, a 600 Mw plant is planned for the immediate future. Tenders for a turnkey supply and commissioning were called last year and are expected to be in by April. Among

those tendering is Atomic Energy of Canada Limited. As Canada is the only country with an integrated heavy water nuclear power reactor development program, extending from basic research through prototype design to commercial production its chances to participate in the implementation of this project are good.

Nuclear development in Argentina is under the National Atomic Energy Commission (CNEA) which was created by the Government in 1950. It has responsibility for nuclear research and for industrial science and technology. Since its inception, CNEA has promoted uranium mining and processing, construction of research centers and power reactors, production of radioisotopes and others, and has placed great emphasis on the development of basic and applied research. The Commission now employs 800 specialists of a high scientific and technical level. Many of the present staff have taken part in the design, construction, commission-

ing and operation of the following CNEA research institutions.

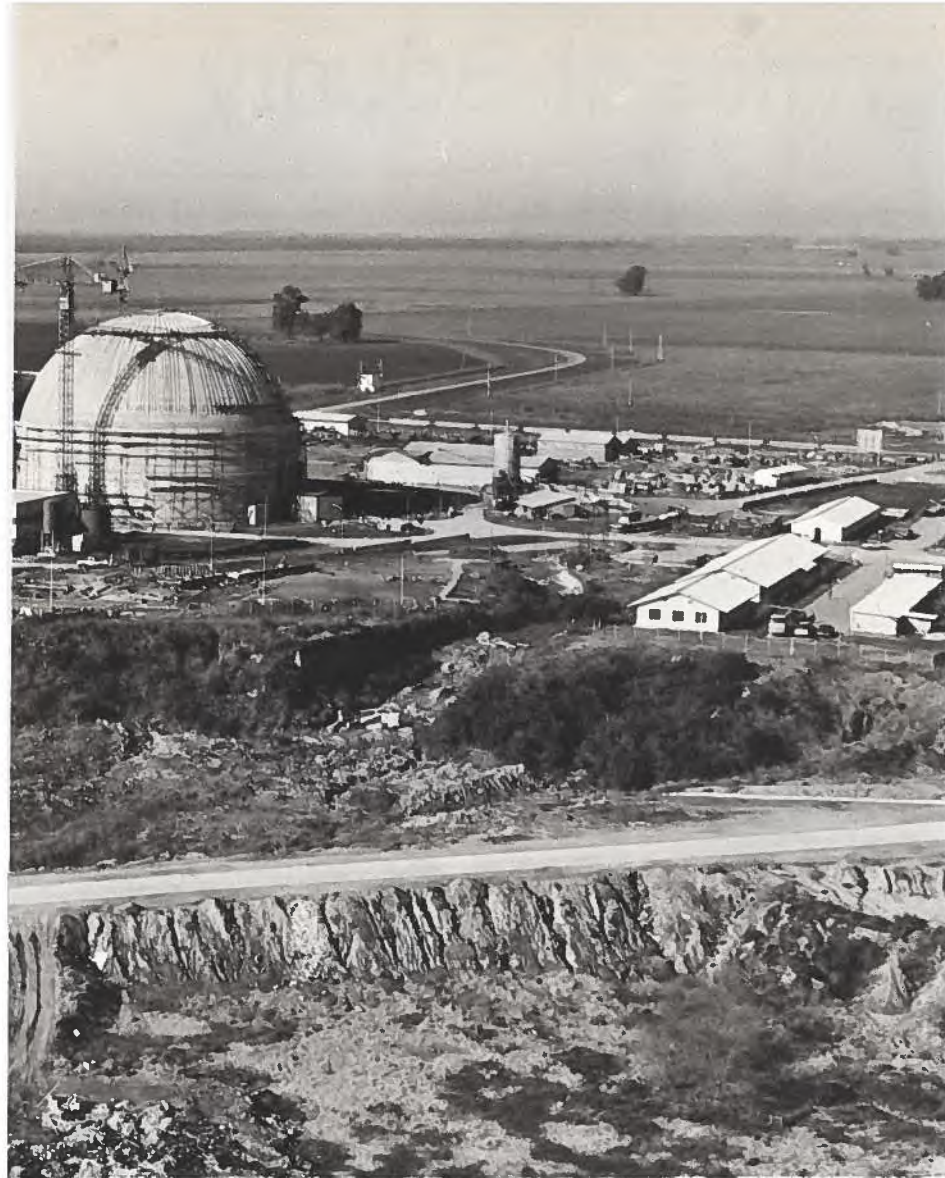
The Constituyentes Atomic Center specializes in metallurgical research and has manufactured all the nuclear fuels required for the operation of CNEA reactors. A process was originated at this center for direct reduction of F_6U enriched to 90 per cent for its transformation into Al-U (aluminum-uranium metallic alloy).

The first reactor to operate in Latin America, the RA-1, was built in the center during January 1958, within the framework of the United States Argonaut project. Two other reactors, the RA-0 and the RA-2, were also designed and built here.

The Bariloche Atomic Center, in southern Argentina, is concerned with basic and nuclear physics research. Among the equipment installed is a lineal accelerator, which was built there.

The Ezeiza Atomic Center, on the outskirts of Buenos Aires, is the country's





Fuelled by natural uranium, this 319 Mw plant at Atucha about 60 miles from Buenos Aires, is nearing completion and is expected to be commissioned in 1973. When it does, it will become Latin America's first nuclear power plant. Together with other stations yet to be built, Argentina hopes to have nuclear power plant outputs of nearly 1,900 Mw by 1980.

most important center. It has a 5,000 Kv nuclear reactor, the RA-3, designed and built in Argentina by the Atomic Committee with the participation of private industry. This reactor will be used for the commercial production of radioisotopes, research in nuclear technology and for the development of nuclear fuels.

Local consumption of radioisotopes in 1969 was 150 Ci, of which 10 Ci were produced locally. These elements were destined for medical applications (78 per cent), industry (20 per cent) and agriculture (2 per cent).

A pilot plant was commissioned in 1968 and for the first time plutonium, obtained by reprocessing the irradiated fuel of the RA-1 reactor, was produced in Latin America. The plant is now being expanded to reprocess fuel of the RA-3 reactor.

The CNEA is giving priority to prospecting and development of the uranium universal reserves in four mining districts: Center, Northwest, Cuyo and Patagonia.

Almost 56,000 square miles have been prospected already, out of an area of 487,000 square miles with uranium possibilities. Reserves of 16,000 tons of U_3O_8 have been detected, which represent enough fuel to operate a nuclear plant producing 10,000 Mw for 25 years.

The Argentine nuclear program includes the carrying out of several priority projects, such as the development of radioisotopes and radiations, research reactors, nuclear physics, chemistry, metallurgy, biology and electronics. The most important sector, however, will undoubtedly be the development of nuclear power plants.

A great variety of equipment and materials will be needed as the Cordoba project progresses. These will include:

Special items for building, and structures such as pressure doors, lining materials and shielding doors;

The reactor, heat transport system, moderator system, fuel handling system,

heavy water up-grading equipment, boiler steam and water supply, etc;

The turbine-generator system, including special turbines, generators and condensing, feedwater and auxiliary systems;

Control and instrumentation stations including communication and annunciation systems; reactor, boiler and auxiliaries instrumentation; turbine-generator and auxiliary systems; control center equipment; common processes and services instrumentation;

Cranes, hoists, elevators, and maintenance equipment will also be included in the foreign supply package.

All the materials required for civil works construction will be available through local sources of supply, including pre-stressing wires and anchors and aggregates for high-density concrete. Local firms are capable of supplying about 90 per cent of civil works requirements, 50 per cent of erection and 15 per cent of electro-mechanical components.

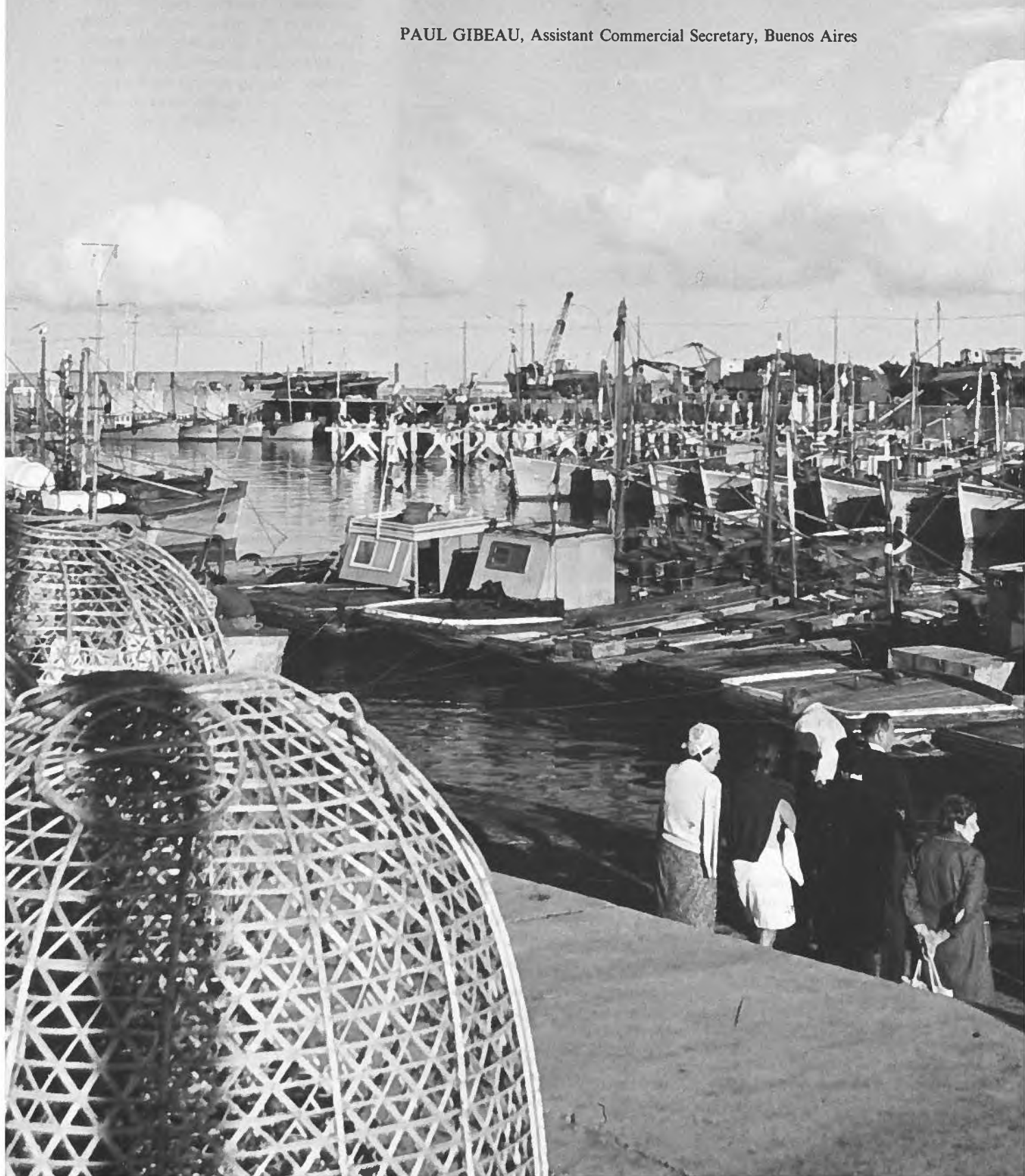
Canadian nuclear capabilities are well known in Argentina, and Canadian manufacturers of nuclear and accessory equipment will have increasing opportunities to contribute substantially and participate in this interesting market.



The Magnificent Bounty

Argentina's continental shelf could yield six million tons of fish a year, but the country needs equipment and expertise.

PAUL GIBEAU, Assistant Commercial Secretary, Buenos Aires



A tangle of masts at Mar del Plata, a fishing port about 200 miles south of Buenos Aires, points to the rich potential of the Argentinian seas. But more modern equipment is needed to develop the industry.

It's more than 1500 miles long, covers 360,000 square miles and is considered to be one of the most abundant fish reserves in the world.

This is Argentina's continental shelf, now becoming the focus of government attention to develop this major national resource. The Argentinian coast is washed by two separate streams: a cool current from the Falkland Islands which goes north to the Mar del Plata and contains hake, cod and anchovies (ancheitas) and a warm current from the Brazilian coast which carries the "corvina," or croaker (*Micropogon Opercularis*), and the "pescadilla" (*Cynoscion Striatus*), a type of sea trout. In addition, there is the large basin of the Rio de la Plata which yields numerous species of freshwater fish. The optimum permanent yield for the whole coastline is estimated to be from 2.5 to 3 million tons a year for deepwater fish (hake, cod and salmon) and at least an equal quantity for surface species such as anchovies and sardines.

Argentine waters contain many varieties of fish, more than 80 per cent of which are edible. The waters between Rawson and Commodore Rivadavia and on the Patagonian shelf contain two or three large concentrations of surface fish allowing excellent fishing all year long.

In spite of these resources, however, Argentina's fishing industry is still only partially developed and production is correspondingly low compared with that of other maritime countries. At the end of each year, for example, there is known resource of some eight million tons of anchovies off Buenos Aires, but the actual catch is barely 3,200 tons. And the same goes for many other species. Compared with other countries, Argentina comes way down the list in terms of total catch. In 1968, for instance, Peru's catch was 10.5 million metric tons and Argentina, twelfth on the list, caught 223,000 metric tons. Iceland, eleventh on the list, caught 600,000 tons.

Part of the reason for this is the low domestic demand. There is only one major market for fish, metropolitan Buenos Aires. It accounts for 80 per cent of the fish consumed in Argentina, partly be-

cause of the lack of adequate refrigeration in — and transportation to — the rest of the country. In 1970, per capita consumption of fish was 3.4 pounds compared with 168.6 pounds of beef, the staple food in Argentina, poultry 19.4, pork 17.6 and mutton 11.

During the past few years, discussions have focussed on the problem of finding cheap trawlers big enough for deepsea fishing. Recently the Argentinian Government through the Ministry of Agriculture has taken several steps to encourage development of the fisheries. All enterprises connected with fisheries (such as fishing, processing and marketing) will be entitled to certain benefits such as tax exemptions or delayed tax payment. These benefits will vary according to the location of the company. Applications must be made before January 1, 1974. All such enterprises will receive loans, guarantees or other forms of credit. Shipowners will be able to import new and used trawlers duty free. The law stipulates that for a given imported tonnage a certain counter-tonnage must be built in Argentina.

The short-term government objective is a catch of one million tons a year by 1975, five times the present quantity. In view of the fact that less than half of Argentina's fishing fleet is now active, it is estimated that about 130 additional

trawlers will be required, roughly half of which will probably be imported, the other half built locally.

Canada can offer new or used trawlers, fish-processing plants and fishing knowhow, as well as the services of consulting engineers. Of specific interest is the joint FAO/IBRD fisheries development project (no. DP SF 310 ARG IDA) in Argentina. The first phase of this project has just been completed and the second phase, which will last about two years, began in January this year. It is not yet known what equipment and services will be required, but interested Canadian companies should write for project details, including the implementing agency, to R.J.L. Berlet, First Secretary, Permanent Mission of Canada to the United Nations, 866 United Nations Plaza, Suite 250, New York, N.Y. 10017.

When the present ban on imports of luxury items is lifted, possibly within the next two years, there may well be opportunities for exports of Canadian canned salmon and certain gourmet specialties.

If there is any way we can help you in this market, or if you want more information, do not hesitate to write to the Commercial Counsellor, Canadian Embassy, Casilla de Correo 3898, Suipacha 1111, Buenos Aires, Argentina.



Caught and ready for market. Most of the domestic fish catch is marketed in Buenos Aires because of transportation and refrigeration problems in the rest of the country.





The Preening of America

. . . or, how fashion has hit the North American male and what it means for men's wear manufacturers and retailers.

Geometric pattern captures fashion's future in this polyester-Jersey knit suit by Tan-Jay for Him, Winnipeg. Distinctive styling and careful tailoring are winning customers for high fashion men's wear from Canada that manufacturers would do well to exploit. At right, corduroy jean and jacket set in contrasting colors by Buckeye Peerless Textile Company Limited, Toronto, offers the young buyer the unique look he wants. At bottom, two-tone rack knit virgin wool sweater by Standard Knitting Limited, Winnipeg, teams up with polyester double-knit slacks by Riviera Slacks Inc., Toronto, featuring three-quarter-inch welted pocketing in front.

JOANNE KIRBY, Commercial Officer, Detroit

"Fashion" has been selling many things lately: colorful coats and vivid dresses, hot pants and fun furs, pop jewelry, cat suits and patterned stockings. And now it's become a powerful influence in men's wear and accessories selling everything from shoes and boots to lace shirts, mod suits, costume jewellery, turtleneck sweaters, colognes and hair spray, to name but a few. As the list itself suggests, the fashion fever has not only invested some old products with a new merchandising appeal but also created dynamic markets for products that were virtually non-existent just a few short years ago. And nowhere has the volume and dollar impact of the fashion revolution been greater than in the United States.

Men's fashions have been catching up with women's at an almost breakneck pace and indications are that the entire men's wear industry is on the verge of even more dramatic changes, particularly in the way clothing will be marketed. For example, the sportswear boom has only just begun and already it is predicted that soon men will no longer be buying shirts and pants but "tops" and "bottoms." Retailers used to be able to lay out a line of men's wear and live with it for six months,

but now they have to look at it every week. It's a male fashion liberation movement, the "Preening of America."

American men's fashions, like women's, do have some domestic origins but for the most part they have been influenced by traditional fashion sources, such as Europe, and some not so traditional, such as Canada. Canadian fashion designers and manufacturers have had a definite impact on American fashions and although Canadian penetration of the United States market must still be described as modest, a start has been made and the potential is tremendous.

The "Motor City" has traditionally been known as a bit of a sartorial backwater but in keeping with the times it, too, is changing. Detroit, with its curious mixture of mid-America provincialism and big city sophistication, presents a highly diversified men's fashion market. Servicing this market is a wide variety of men's retail outlets which cover an urban market area of over five million people, an estimated 50 per cent of whom wear men's clothing.

Department store retailing — Every major city has its prominent department

store, and in Detroit it's the J.L. Hudson Company. "Hudson's — it's more than a store, it's a phenomenon." That's the theme of a recent Hudson's advertising campaign. Occupying an entire city block and towering 25 stories, 17 of which are devoted to merchandise and customer services, Hudson's downtown store is the world's tallest department store with four basement levels. All buying offices are located in downtown Detroit.

Men's furnishings is a very important area in Hudson's merchandise picture, spreading itself over 15 different departments (see box). These departments are represented in all Hudson's suburban branch stores (Southland, Eastland, Oakland, Westland, Northland, Pontiac, Flint and Toledo, Ohio). In addition, there are two budget stores (the Warren Warehouse store and the Dearborn Budget store) and the budget departments at the full-line stores. All budget areas carry men's furnishings and have independent buyers. Hudson's also owns a series of shops called the Midwest Trousers Shops which specialize in jeans, levis and belts and are geared to the young buyer. The manager of these shops is Gilbert Hudson.



The range of qualities and prices handled by Hudson's provides marketing opportunities for a broad spectrum of the Canadian men's wear industry, from designer items to volume goods. Many Canadian manufacturers are already on Hudson's suppliers' list but, with this kind of buying power, there is room for many more.

Specialty chain stores — An alternative to the department store is the more specialized multi-store clothing chain. Chelsea Clothes, Inc., 2944 Biddle, Wyandotte, Michigan, is a good example of this type of specialty shop chain operation. The firm has five stores in the suburban Downriver Detroit area (ten minutes from downtown Detroit): two full-time men's clothing stores by the name of "Chelsea," a ladies' specialty shop called "Willow Tree" and two unisex pant-top boutiques called "The Branch". Three stores are located in downtown Wyandotte and the other two in the Southgate Shopping Center in nearby Southgate.

The entire operation, which grosses over \$2 million annually, specializes in high and moderately high fashion merchandise. Customers tend to be young in age, or at least young in outlook. Clientele includes professional people, young executives, "swinging singles" and students. The emphasis is on sophisticated attire — "kooky" looks and brief fads are generally discouraged by Chelsea buyers to the ex-

tent that they are not bought in tonnage. Individual items, however, are important in terms of sales.

All five stores are now stocking Canadian lines in a relatively big way. In addition to the ladies' operation, which stocks seven Canadian lines at present, Chelsea is currently doing business with four Canadian men's wear manufacturers. The feeling is that Canadian lines have a unique look not found in every store. Styling is regarded as quite advanced with strong indications of European fashion in-

fluences. This, plus high standards of quality, have kept Chelsea buyers coming back to Canada for more.

While the Chelsea people find that imports have their drawbacks — the effect of recent trade restrictions, for example, and the problem of merchandise returns — they overwhelmingly feel that the plusses of Canadian fashion apparel far outweigh the minusses. As a matter of fact, they are now planning to attend the Canadian industry's major shows and will



allocate more open-to-buy dollars for these excursions (although at the same time, they hope that Canadian manufacturers won't become too popular in Michigan in case the more unusual and fairly exclusive items begin turning up everywhere!)

Men's high fashion is also big business in Michigan. An as-yet untapped outlet for Canadian manufacturers is Kosins Clothes (pronounced "Cousins") at 1430 Griswold in downtown Detroit. Kosins is considered to be one of the nation's four or five retailers that has its finger on the pulse of the men's fashion world and a major style-setter in the country. Detroit is not the place where you'd expect to find it but it is reported that Kosins does more business per square foot of floor space (4,000 square feet) than any men's clothing store in the world — over \$2.5 million in 1970.

Kosins sells to such athletes as Lem Barney, Detroit Lions footballer, and boxer Joe Frazier, who are built like wedges — size 44 coats and 32 pants. The customers range from priests to bookies, bank presidents to musicians and include such entertainment notables as Milton Berle, Robert Goulet, Louis Nye, the Temptations and Earl Wilson.

Harry Kosins, owner and buyer, displays an uncanny knack for knowing what is going to be fashionable before the people who make the clothes even know. Leading American manufacturers pay Kosins \$500 a day, plus expenses, for consultation. He studies the fashion scene constantly — cuts, fabrics, colors — and makes periodic analyses of the male fashion scene.

When asked to predict the way fashion will swing, Kosins will reply that the only safe bet is that everything eventually comes full circle, but with the little added touch that makes it new and exciting. He predicts the return of the white shirt, just different enough to feel brand new. And he sees the return of ice cream colors and geometric patterns. Even the Nehru jackets will come back, he feels, but altered so they'll be a hit again and probably last longer this time around. Styles like excess padding in coats and baggy pants, however, he feels have no fashion future because today's man has no need for them.

Any fashion, of course, involves a sense of what is currently appropriate, but what is appropriate has traditionally been a question settled for the consumers by

How Hudson Caters to Men

Dept. No.	Merchandise	Buyers
500	Men's clothing	Bruce Nordman
515	Darwood shop	Bruce Nordman
501	Men's fine clothing, custom clothing and shirts	Bruce Nordman
503	Men's casual clothes	James R. Alexander
504	Men's outerwear and rainwear	Fred E. Retzloff
509	New directions shop	Robert Jackson
510	Men's haberdashery	E. John Rapson
511	Men's furnishings	Arthur Fasoli
512	Men's accessories	James P. Williams
520	Casual slacks	Glenn Krasko
525	Ski shop	Kristin Seppi
540	Men's shoes and hats	John T. Seeber
572	Sports apparel	Cal Bogart
554	Varsity shop furnishings	John A. Mitchell
556	Varsity shop clothing	John A. Mitchell

the manufacturers. Today the consumers are making the decisions and the new fashion expresses their tastes.

Many Detroit buyers are visiting the Canadian market on a regular basis because the Canadian lines they "took a chance on" initially are what the consumer wants and is buying. Buyers also want something they can't get at home in terms of unique design, quality workmanship, competitive pricing and good deliveries.

All these factors are important whether you are selling volume goods or designer items. They provide the reasons to "buy Canadian." While import appeal

may be sufficient to sell clothing in some distant area, it isn't enough in a border city just five minutes away from Canada. Several Canadian manufacturers have found the best way to sell in this market is the direct sales approach. Local representatives are available but not really necessary. If your Ontario representative is working the Windsor market, he can't afford to miss Detroit. Make no mistake, though, the Detroit market is not simply an extension of Windsor, to be serviced only if and when time permits. It's a whole new ball game and you could score heavily. Why not visit us and see for yourself?



Regional Transport Survey of Southeast Asia Completed

A "massive agenda" for the development of the transportation systems of Southeast Asia is the sum of the now-completed Southeast Asian Regional Transport Survey undertaken by the Asian Development Bank.

Begun in 1969, the survey covers seven nations — Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand and the Republic of Vietnam. Details are to be released soon.

The survey cost about U.S.\$2.9 million and was financed by the United Nations Development Program (a little over \$1 million), the U.S. Government (\$1 million), and the balance by the Bank from its own resources including technical assistance contributions of other member countries.

The objective of the survey was to make recommendations for the co-ordinated development of transportation in the Southeast Asian region. It studied the existing transportation network of the region and projects future transportation requirements to 1990 on the basis of a detailed study of the region's potential economic growth. Also included are in-depth

studies of the growth potential of important economic sectors such as agriculture, fisheries, forestry, minerals and manufacturing.

The regional transport projects recommended in the survey are mainly concerned with sea and air transport. They include the improvement of regional marine navigation aid systems, the region's entry into a major worldwide container ship consortium, a regional tanker fleet for carrying palm oil and other bulk cargoes, a regional shipping fleet of log and lumber carriers, and a regional fleet of dry bulk carriers for maize, ores, sugar and possibly rice cargoes.

The survey emphasized the need for an effective regional organization to implement regional projects. These include the standardization of airline equipment (thereby achieving gains from the pooling of spares and training and maintenance facilities), the establishment of a jointly owned airline by the countries of the region and the establishment of a regional flight inspection service as a high priority project.

Peru's Growing Power Capacity

Production of electricity has been increasing at just under 10 per cent a year, and new sources for hydroelectric power are being sought. This means continuing demand for equipment and supplies.

JAMES D. LEACH
Acting Commercial Secretary

H.W. SCHOFIELD
Commercial Officer, Lima

By Canadian standards, Peru's electric power industry is small. In 1970 the total generating capacity was slightly less than that of the Hydroelectric Power Commission of Ontario's Sir Adam Beck-Niagara generating stations on the Niagara River at Queenston. Nevertheless, electric power development in Peru has undergone notable and sustained growth during the past two decades and the industry's growth rate is comparable with the expansion of generating capacity in Canada.

In 1952 installed electric power capacity was a modest 323,100 kw. By 1962 it had reached 866,100 kw. and during the past ten years capacity has more than doubled. This rate of expansion is expected to continue during the 1970's, perhaps even at a slightly higher rate. Production of electric power since the mid-fifties has been increasing at an average annual rate of 9.6 per cent. Installed capacity now is approximately 55 per cent hydroelectric and 45 per cent thermal generation.

Peru's main power generating center is in the Lima-Callao metropolitan area where almost 70 per cent of the country's secondary manufacturing is located. It is significant that some economists use the measure of the consumption of electrical energy in the Lima area as a key indicator of the growth rate of the manufacturing sector in the whole country. Empresas Eléctricas Asociadas (formerly Lima Light and Power Company), the country's largest power company, supplies the capital with power from six plants on the Rimac River, including two owned by its affiliate Hidrandina S.A. In order to meet Lima's growing electric power demands, the 120,000 kw. Pablo Boner (or Matucana) plant was brought on stream in 1971, thereby increasing the company's total capacity to more than 500,000 kw.

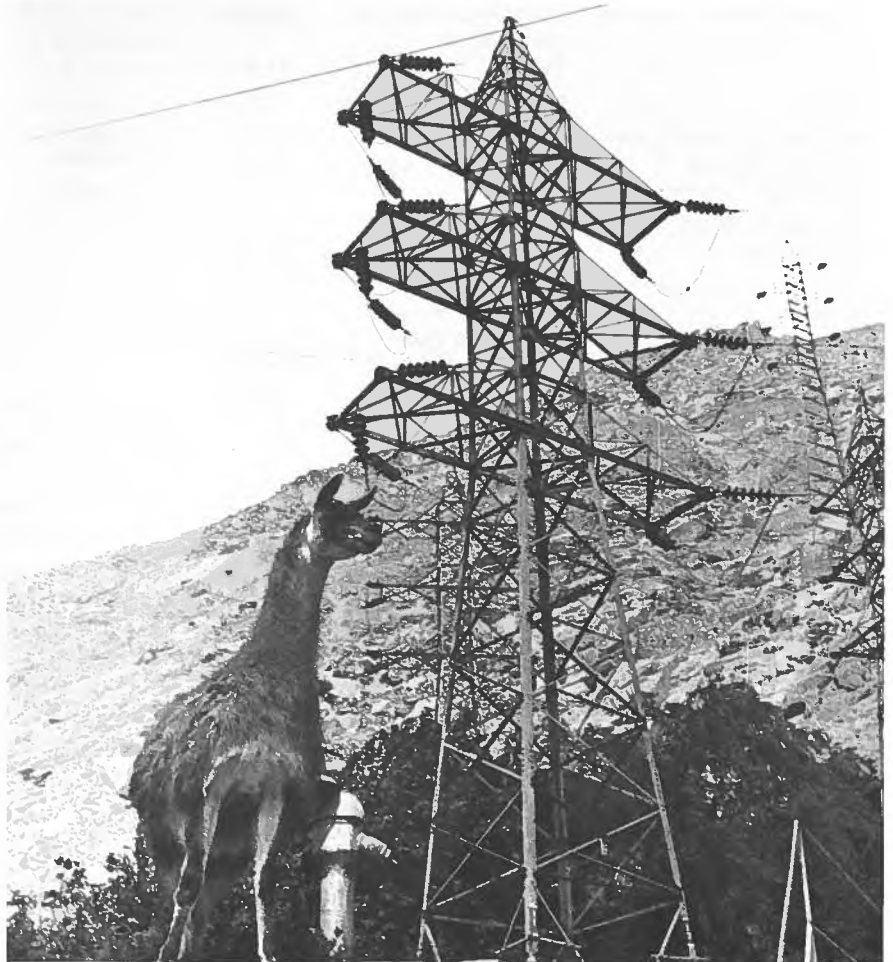
A feature of the Rimac system is the available drop — almost 15,000 feet from the storage reservoirs high in the Andes. A new 50 million cubic meter annual than half of Peru's total generating capacity for public service. Other significant producers include the Corporacion Peruana del Santa with a capacity of more

capacity storage reservoir is being planned by Empresas Eléctricas at Yaracmayo, 14,625 feet above sea level, that will feed down the Rio Blanco, a southern tributary of the Rimac upstream of the Pablo Boner plant. The Yaracmayo reservoir would serve the Pablo Boner plant (and allow its eventual amplification to 180,000 kw.), and also Callahuanca, Moyopampa and Huampani further down the river. Company engineers estimate that the reservoir would increase the system's generating capacity by 200 million kwh. per year. The water supply, however, is a problem because the flow is seasonal. In addition, the Rimac is one of the very few systems flowing west into the Pacific. Hydrologists, therefore, are continuing studies of more lagoons east of the Andes as possible future sources of water for the Rimac system.

The facilities of Empresas Eléctricas and its affiliates now account for more than 140,000 kw. and the Corporacion del Mantaro whose Stage 1 — three generators with a total installed capacity of 342,-



Andean foothills rise in the background as a serious-looking alpaca, one of Peru's popular domesticated animals, surveys a high tension power line near Lima, the capital.



ORGANIZATION OF PERUVIAN POWER INDUSTRY

Principal Power Companies

Company	Plant	Installed Capacity in kw.
Empresas Eléctricas Asociadas	Huínco	260,000
	Callahuanca	67,000
	Santa Rosa (thermal)	67,500
Hidrandina	Moyopampa	63,000
	Huampani	31,000
	Cahua	40,000
Cerro De Pasco Corporation	Paucarambo (Yaupi)	108,000
	Malpaso	54,000
	Oroya (thermal and hydro)	12,000
Corporacion de Fomento y Desarrollo de Tacna	Aricota 1	23,800
	Aricota 2	11,800
Southern Peru Copper Corporation	Ilo and Toquepala (thermal)	110,000
Sociedad Agricola Chicama	Trujillo	31,140
Corporacion del Mantaro	Mantaro I (under construction)	342,000
	Mantaro II (projected)	684,000
	Mantaro III (projected)	1,500,000
Olmos	(projected)	250,000
Marcona Mining Company	San Nicolas (thermal)	28,930
	San Nicolas (thermal and diesel)	16,104
Trupal	Santiago de Cao (steam)	15,000
Sociedad Agricola Pomalca	Chiclayo	14,736
Sociedad Agricola Paramonga	Paramonga (thermal)	20,000
Sociedad Electrica de Arequipa	Chilina (thermal)	13,000
	Charcani I, II, III and IV	24,000
Corporacion Peruana del Santa	Huallanca	100,400
	Trujillo (turbo gas)	40,000
	Trujillo and Chimbote (projected turbo gas)	40,000
Corporacion de Reconstruccion del Cuzco	Machu Picchu	46,000
Petroleos del Peru	Talara (diesel and thermal)	16,600

Public Electric Utility Companies

Concessionaire	Concession Area	Installed Capacity in kw.
Empresas Eléctricas Asociadas	Lima and vicinity	514,500
Soc. Eléctrica de Arequipa	Arequipa and vicinity	37,000
Cia. Alumbrado Electrico de Huacho	Huacho-Chancay-Huaura	5,740
Empresas Eléctricas de Tacna S.A.	Tacna	1,725
Empresa Luz y Fuerza de Huaral	Huaral	1,644
Cia. de Servicios Eléctricos — Sector Chiclayo	Chiclayo	10,744
Cia. de Servicios Eléctricos — Sector Supe	Supe	2,490
Cia. de Servicios Eléctricos — Sector Chíncha	Chíncha	1,840
Cia. de Servicios Eléctricos — Sector Pisco	Pisco	2,306
Cia. de Servicios Eléctricos — Sector Ica	Ica	4,465
Soc. Ind. de Huancayo Ltda.	Huancayo	3,250
Empresa de Energia de Piura S.A.	Piura	13,395
Cia. Eléctrica de Calca	Calca	2,172
Empresa Eléctrica San Andrés	Pacasmayo	1,060
Hidrandina	Pativilca Lima (sold to EE.EE.AA.)	134,360

State Corporations Selling to Public

Concessionaire	Concession Area	Installed Capacity in kw.
Corporacion Peruana del Santa	Callejon de Huaylas Chimbote, Trujillo	140,400
Corp. de Fomento y Desarrollo de Tacna	Tacna	35,300
Corp. de Reconstruccion y Fomento del Cuzco	Cuzco	46,880
Comp. de Luz Eléctrica de Trujillo	Trujillo and vicinity	4,588

000 kw. — is scheduled to go on line early in 1973. Mantaro will supply electricity to Huancayo, Lima, Pisco, Ica and the Marcona mining complex near Nazca. Stage 2 of the Mantaro development will be the installation of four more turbines in a second powerhouse with accompanying conduits to bring the total capacity up to 684,000 kw. No contracts have been signed so far nor have schedules been fixed for the construction of Stage 2.

The development of the electric power industry in Peru has been controlled since 1955 by the Electric Industry Law 12378 and the National Electrification Plan which was devised in 1957 and up-dated in 1962. During the 15-year period following enactment of the law, investment in the industry totalled the equivalent of \$462 million. The development plan for the period 1971-75 calls for further investments of \$393.4 million according to the following approximate schedule: 1971 — \$50.7 million; 1972 — \$77.9 million; 1973 — \$81.9 million; 1974 — \$82.1 million; and 1975 — \$82 million.

The objectives of this five-year plan are threefold: to obtain optimum use of existing installations by establishing interconnected systems; to conclude projects now under construction; and third, to update existing projects of electricity development and to examine new energy resources. By 1975 Peru's electric power industry expects to have installed capacity of 2.55 million kw. producing 9.8 billion kwh. annually.

In order to achieve this level, a number of important projects will have to be realized. The second stage of the Mantaro development must be completed and on line. Japanese interests will be constructing a new Lima-Chimbote transmission line to interconnect the power resources of the Corporacion del Santa in the north with the Lima valley. The capacity of the Canon del Pato hydroelectric power plant owned by the Corporacion del Santa is to be increased by 50,000 kw. A power transmission line will be constructed to interconnect Aricota, Toquepala and Arequipa in southern Peru. A 120,000 kw. thermal station is planned for Talara on the northern coast. And new equipment must be secured for the entire region if future demands are to be covered.

Although Peru's electric power industry is relatively small, it is growing fast and opportunities should exist for Canadian suppliers. For further information, contact the Commercial Division of the Canadian Embassy in Lima.



Raised intake gates (at right in photo) indicate water is flowing through two of the artificial passages in the forebay of the Pablo Boner hydroelectric plant near Lima. The plant is named after the man who planned and directed the expansion of Lima Light and Power Company (now Electricas Asociadas) during the past 40 years.

Looking down on the new Pablo Boner hydroelectric plant located high in the Andes about 60 miles east of Lima. The plant was brought on stream in 1971, thereby increasing the total capacity of Empresas Electricas Asociadas to more than 500,000 kw.



Bolivia Offers Investment Incentives

New plans are expected to help the development of a broad range of industrial projects, thus creating market opportunities for suppliers.

JAMES D. LEACH, Acting Commercial Secretary, Lima

Despite the temptation to dismiss Bolivia as an uncertain market, an increasing number of Canadian businessmen are including an exploratory trip to La Paz on their South American itineraries. The visitor to the Bolivian capital cannot help but be struck by the fact that the city's major hotels are regularly filled with foreign businessmen and tourists.

In August 1971 Colonel Hugo Banzer became President. His Government, the Frente Popular Nacionalista (FPN), is a coalition of the Movimiento Nacionalista Revolucionaria (MNR), the Falange Socialista Boliviana (FSB), an association of private entrepreneurs, and the armed forces. Informed observers are optimistic that the FPN will be able to restore confidence among investors, both foreign and domestic.

Bolivia, during the five years that General Barrientos headed the Government, achieved a very respectable average annual rate of growth of nearly 7 per cent. After his death in an airplane crash in 1969, a number of important foreign concerns were nationalized and the subsequent downturn in investment contributed to the fall in the rate of economic growth to four per cent.

Bolivia is not a rich country and is, perhaps, the most underdeveloped in South America. Although its comparative growth rate has not been unsatisfactory, the per capita gross national product is

among the lowest on the continent. Nevertheless, Bolivia's potential mineral, hydrocarbon and agricultural resources could provide the base for considerable long-term growth. But satisfactory economic development in Bolivia will require a regular and increasing supply of foreign exchange and continued improvement in the saving and investment performance of the public sector.

Recognizing the important role that capital investment plays in the economic development of the country and, therefore, the need to provide favorable conditions for such investment, the Government has taken steps to improve the investment climate. In December 1971 it introduced a new investment law providing strong incentives and protection to new investments — both foreign and domestic — and reinvestments in the following fields: industry, mining, agriculture, cattle raising, renewable natural resources, construction and tourism (petroleum and natural gas and service industries will be subject to special legislation).

The Government hopes to increase production of goods and services for domestic consumption, introduce modern technology, reduce production costs and augment and diversify exports. The Government also hopes the code will help to achieve selective import substitution, generate internal savings and encourage

greater development in the underdeveloped areas.

Strategic industries such as the metallurgical, iron and steel and petrochemical industries will be developed in their basic stages by the State alone. Provision has been made, however, for majority participation of foreign capital in these industries with a ruling that there be a progressive transfer of foreign shares to the State so that the Government can acquire effective control within 25 years.

This decree offers a number of incentives, benefits and guarantees to the investor, including exemption from import duties on machinery, equipment and raw materials, exemption from various internal taxes, improved depreciation allowances, tax incentives to locate in certain depressed areas, and potential tariff protection.

The administration and application of this law will be the responsibility of the newly created National Investment Institute. The Ministries of Industry and Commerce, Finance, and Planning and Co-ordination, as well as the private sector, will be represented on the Institute's board of directors.

The new investment law represents a complete reversal in Bolivian economic policy and is designed to attract up to U.S.\$100 million a year in new private investment. Already, substantial credits



Electrically-operated train returns for another load of ore from one of Bolivia's many mines. The mines are nationalized and are currently undergoing modernization with the help of three loans from the Inter-American Development Bank. German and United States interests are also taking part in rejuvenation of the mines.

have been forthcoming from the United States, Brazil and Argentina to provide short-term liquidity within sectors of the economy. Informed observers, however, feel that potential investors will probably remain cautious and reluctant to commit large sums for at least another six months.

Bolivia's capacity to produce is seri-

ously restricted by the lack of adequate infrastructure and there is a vital need for new and improved roads. In mid-1971, the Canadian International Development Agency (CIDA) extended through the Inter-American Development Bank a loan of \$1.7 million to the Bolivian Government for engineering studies, including a

WHAT CANADA SELLS TO BOLIVIA \$'000

	11 mos.	
	1970	1971
Newsprint paper	505	384
Insulated wire and cable	150	167
Electricity — measuring instruments and parts	21	133
Aluminum and alloy fabricated materials	14	92
Circuits breakers and parts	—	74
Switchgear and protective equipment and parts	—	55
Nuts, bolts, screws and washers	8	49
Sanitary paper	113	46
Steel castings	44	43
Total exports, including all others	2,205	1,633

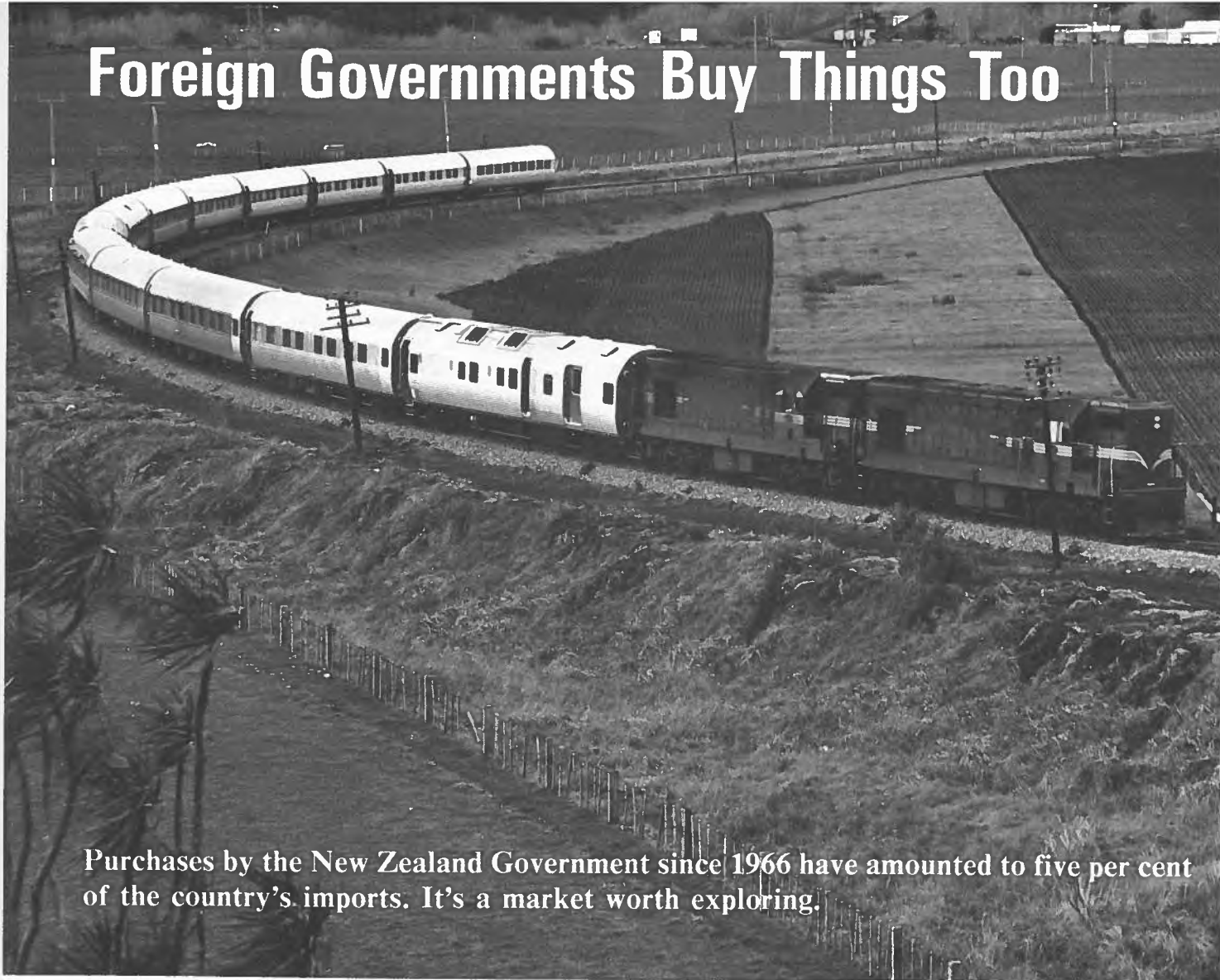
feasibility study, on the construction of a highway and access roads in the northern part of the country. A number of Canadian consulting engineering firms were competing at time of writing for this project, which should be under way later this year.

Bolivia's total annual imports exceed \$150 million, but Canada's exports to this market have always been relatively insignificant. Bolivia's requirements are wide-ranging. For example, COMIBOL, the State mining corporation, purchases from abroad mining machinery and equipment, explosives, safety equipment, electrical supplies and some foodstuffs.

Other opportunities may exist for the supply of forestry and sawmill equipment, agricultural equipment, frozen semen, potato seed, wire and cable, electrical hardware, railway equipment, malt and barley for brewing and various requirements for the oil industry. Perhaps Bolivia, at the crossroads of South America, may yet develop into an interesting market for Canadians.



Foreign Governments Buy Things Too



Purchases by the New Zealand Government since 1966 have amounted to five per cent of the country's imports. It's a market worth exploring.

A sleeping car train of the Silver Star service near Marton on the North Island. This train is being pulled by a Canadian diesel locomotive and runs between Auckland and Wellington.

J.M. MABBETT, Commercial Officer, Wellington

Agriculture, broadcasting, communications, defence, education, forestry, health, mines, pollution, tourism, transportation, utilities — if any of these is your line of business, why not consider making a client of the New Zealand Government?

For the past six years, the Government has purchased goods worth more than NZ\$50 million annually from abroad, and future economic, industrial and social development will sustain this need on probably an even greater scale.

For Canadian firms who can supply materials and equipment for New Zealand government departments, there are market opportunities here. In fact, New Zealand government officials have been disappointed by the lack of Canadian offers for products for which Canada is

recognized as a competent and competitive world exporter (see "Research Equipment in New Zealand", *Foreign Trade*, June 7, 1969).

The policy governing purchases requires that tenders be submitted before orders are placed. The following outline of purchasing procedures in New Zealand will perhaps encourage more Canadian firms to compete in this promising market.

1. Purchasing Policy. The controlling authority for purchasing procedures is the Government Stores Board, a division of The Treasury, New Zealand's Ministry of Finance. The Board's regulations acknowledge that the basis of the country's prosperity is the development of new and existing markets for its primary meat, wool and dairy products by recipro-

cal trading, and that government departments must be prepared (within the limits of import and currency controls) to consider on a competitive basis the goods of countries which are potential markets for significant quantities of New Zealand produce. Canada is and has been such a market for many years.

As New Zealand's industrial competence has grown, so has the range of products manufactured in the country. The country's policy is not to purchase abroad when supplies and equipment are available from domestic sources at prices reasonably competitive with costs of importing, after allowing for freight and duty charges. Notwithstanding New Zealand's industrial progress, however, government departments must still utilize foreign sources for many items not avail-

ble locally, especially those requiring a high degree of scientific or industrial technology or production on a scale not sustainable for a population of 2.8 million people.

2. *Call to Tender.* Invitations to tender are issued by the Senior Stores Officer of each department concerned. Correspondence concerning a tender is addressed to him. Invitations to tender may stipulate a preferred item but manufacturers or their agents may submit quotations for items having similar performance characteristics. The invitations are sent to recorded New Zealand agents of overseas manufacturers of the types of equipment required. Government departments prefer to deal through agents who normally have a continuing interest in the performance of the selected equipment, including servicing and spare parts capabilities.

When a department seeks materials in bulk volume or high value items, tender documents are also sent to New Zealand Trade Commissioners overseas. This office, too, is regularly informed of items or projects for which a New Zealand agency is inviting international tenders. In addition, opportunities to tender become known through government press releases and informal inquiries as to Canadian capabilities within defined areas. In most cases, New Zealand agents for Canadian companies are alerted to ensure that their principals will be informed. This office also reports the need to the relevant industry sector branch of the Department of Industry, Trade and Commerce in Ottawa for further action with regard to those Canadian suppliers who have the required capabilities.

3. *Summary.* All invitations to tender are issued on official forms that show the dated closing time for filing the formal bid. When received by the department, tenders are placed in a container having two locks, for which two separate officers have keys. To prevent premature opening of tender documents, the outside enclosure should carry the number applicable to the particular project or tender inquiry. On closing date and at the scheduled time tenders are opened and summarised. Tendered prices are brought to a common comparative cost basis after taking into account exchange rates, freight costs, customs duty applicable to the country of offer and sales tax if applicable. Though all government purchases are duty free, quotations are computed to a comparative duty-paid basis which takes British preferential rates into account. Since Canada benefits from these tariff

Could You Sell to These Government Departments?

Lands and Survey

Physical survey and mapping equipment

Police

Police patrol communications equipment

Tourist and Publicity

Photographic and film making equipment

Defence

Defence and military supplies including field communications equipment

Electricity

Hydro and thermal electric generation and bulk supply distribution equipment

Printing Office

Printing machinery and systems; high grade papers and boards; pencils, staplers, erasers, rulers and other office stationery

Health

Dental, medical, optical and surgical equipment for diagnostic and treatment services; vaccines; environmental pollution recording systems

Forest Service

Scientific research equipment; wood harvesting and milling systems; field communications and forest fire fighting systems; wood preservatives

Scientific and Industrial Research

Scientific equipment for advanced engineering, geological, geophysical, entomological, oceanographic, botanical and forensic research; Antarctic research program equipment

Broadcasting

Radio and television broadcasting and testing equipment

Labor

Lightmeters; velometers and load strain recording devices

Ministry of Works

Hydraulic, civil and mechanical engineering equipment; survey and testing equipment

Education

Professional literature; complex technical training aids; educational films

Post Office

Telephone, telex, commercial radio and satellite communications; mail handling systems

Marine

Scientific and physical equipment for fisheries research

Agriculture

Scientific equipment for veterinary and biological diagnostic research; veterinary vaccines not made in New Zealand

Transport

Aircraft; airfield and aero-nautical detection and communication equipment; meteorological recording equipment; road patrol communications

Railways

Rails; rolling stock, locomotives; rail ferries; workshop repair tools; instrumentation; centralised train control systems; track maintenance equipment

rates, Canadian manufacturers frequently have a competitive advantage over countries entitled to most favored nation or general tariff treatment.

Late tenders may be admitted and recorded if the enclosure provides postal or other evidence that it was despatched before the closing date by a method which should, under normal expectations, have resulted in delivery on time. When a supplier cannot meet the tender deadline, a letter or cable of intent to file a completed tender may be lodged.

4. *Consideration.* Once summarised and checked by a third officer, the schedule of tenders is referred to a Departmental Tenders Committee for consideration. Depending upon the level of the financial approval required, the tenders committee will either decide upon the acceptance of a tender or recommend

acceptance to a higher authority. Such checks, counter checks and technical evaluations may prolong the decision beyond the effective quotation period specified in the tender documents. Sometimes, too, when the price of a recommended or specified item exceeds the budgeted cost, separate opinions of the technicians concerned and the administrators responsible for fiscal control must be reconciled. In cases where the effective date for decision expires, suppliers will be requested to revalidate the offer for a further period to provide time for the agency concerned to resolve its problems. Such instances, though rare, require patience and understanding on the part of the overseas bidder. Occasionally two or three validation requests may be necessary.

5. *Changes in Tenders.* Prior to



closing date and following submission of the tender, a seller may advise the purchasing agency of changes in prices or terms. The original offer will be adjusted and considered on that basis. When it appears to the tenders committee that changes in terms of an offer have resulted from collusion between parties associated with a tender, new bids may be invited. If a tenderer reports a decrease in the offer, new quotations are admitted only when they do not place that bid in a more advantageous position. If, however, the decrease is due to a general decline in market prices, all bidders may be invited to review their offers or new tenders called.

Departments resist overtures by bidders to introduce new factors or technical features into a submission after tenders have been invited. To meet such requests the department concerned would, of necessity, either have to advise all prospective bidders of any variation to the specifications or invite new tenders. In fact, once plans and specifications for any project, supply or equipment are issued or announced, no bidder may have any advantage over a competitor through direct access to departmental officers.

6. *Waiting Period.* This office has sometimes been asked the status of a specific tender during the period of consideration or even after a tender has been accepted. It is difficult to ascertain. Except for tenders awarded for local civil engineering and building projects, prices and terms governing the acceptance of offers for supplies and equipment from local or imported sources are not announced or revealed. Unsuccessful bidders may be informed of the name of the successful party but no indication is obtainable either officially or unofficially as to the ranking of unsuccessful bidders. In effect, no one can influence the acceptance of an offer other than on the basis of a technical professional recommendation to a Tenders Committee. Final responsibility for acceptance or for a recommendation for acceptance of a bid lies with the Committee concerned who must consider prices, technical evaluations, delivery and sometimes financial terms.

7. *Acceptance.* Government departments must obtain specific approval from a separate interdepartmental import control committee when the acceptance of a tender involves overseas sourcing. This committee determines if the product for which approval is sought is or can be competitively manufactured, assembled or fabricated, even in part, in New Zealand. By this process, the committee authorized

foreign purchases of NZ\$62.2 million in 1969 and \$21.6 million in 1970 (see table for authorizations exceeding NZ\$100,000).

Orders for Canadian supplies and shipping instructions are normally completed through the New Zealand Government Trade Commissioners in Montreal or Vancouver or in certain cases by the New Zealand Embassy, Washington, DC. New Zealand representatives may also effect payment upon the production of shipping documents and proof of performance or quality certificates from nominated inspection services, or make interim payments under the terms of a contract.

Agency fees, payable locally to the agent in New Zealand, are normally paid by the contracting department in New Zealand currency. Commissions on government orders stipulated in tender documents cannot exceed those normally paid the agent. Provision is made in the regulations for departments to bypass agents for direct quotations from their principals if necessary.

Certain items may be required to meet British or New Zealand standard specifications. This office will obtain the relevant New Zealand document on request. Alternatively, the Canadian Standards Association, Rexdale, Ontario, will advise on request if a published CSA specification is compatible with the one specified in the tender documents or if a copy of the latter can be provided.

8. *Tender Conditions.* The general conditions of New Zealand tenders are those which normally govern contractual commercial transactions. Unless specific conditions of the invitation to bid are varied or excluded by the contractor, they will be construed according to New Zealand law. By acceptance of an order, the successful bidder automatically becomes subject to the jurisdiction of the New Zealand courts for settlement of disputes which cannot be resolved satisfactorily by consultation between the contracting parties or by the intervention and mediation of the Government Stores Board.

Occasionally a cash deposit is required for detailed drawings or tender documents. On request, this office will advance the deposit and transmit the documents to the Canadian firm concerned. The amount of the deposit and forwarding costs will be billed in Canadian funds from Ottawa. The New Zealand government department concerned will refund the deposit directly to the tendering firm following receipt of a bona fide tender. If no tender is filed, no refund is made.

NEW ZEALAND'S MAJOR FOREIGN PURCHASES

Department	\$	
	1969	1970
Agriculture	130,050	277,950
Broadcasting	583,950	600,100
Defence	1,838,550	1,345,550
Education	2,211,700	811,750
Electricity	24,858,250	4,806,750
Mines	381,650	386,750
Ministry of Works	1,492,600	1,228,250
Forest Service	311,950	240,550
Post Office	2,884,050	185,300
Printing Office	442,000	388,450
Railways	11,074,650	6,318,050
Scientific and Industrial Research	861,050	405,450
Tourist and Publicity	147,050	146,200
Transport	4,101,250	328,950

When tenders are invited for the supply of capital goods or heavy equipment, invitations to bid may require inclusion of financial terms for extended payment. In such cases, potential suppliers should approach the Export Development Corporation, Ottawa, for advice on whether a specific contract might qualify for export financing assistance and the terms under which it might be available. The Corporation also has branch offices in Montreal, Toronto and Vancouver.

9. *Services.* New Zealand Government tendering procedures affect the supply of materials, plant and equipment only. They do not apply to the provision of technical consulting services. If required, these follow direct negotiations with selected consultants. The Government is the country's largest single employer of graduates in the various professional disciplines. To maintain a standard of professional excellence, a liberal program provides for technical studies and practical experience in overseas countries. The technical expertise thus directly available to the Government is also backed by extensive private consulting services. Overseas consultants are occasionally engaged by both Government and industry but the needs are limited to highly specialized fields.

This office is vitally concerned with ensuring that Canadian firms participate in business opportunities which sales to New Zealand government agencies provide. Any document, specification or information needed to prepare and submit formal tenders will be obtained and dispatched on request. We can also assist in



This ferry boat runs between Wellington in the North Island and Picton on the South Island. The service will eventually include four boats, two built in Britain and one in France.

clarifying questions related to prospects that Canadian manufacturers may have heard about through other channels.

To promote sales in this market, Canadian manufacturers should appoint agents to keep in touch with local activities and requirements by calling upon research stations, laboratories and other users and reporting on development projects. An agent's technical knowhow could be essential in specific scientific or industrial product areas in which there are possible needs. This office will help to locate experienced or reputable agents

through whom tenders could be lodged. Since all tenders received by a department must, by regulation, be recorded and receive full consideration, the alternative of dealing directly with a department may be used too.

The larger Australian market, uninhibited by import control, attracts Canadian business visitors who tend to overlook the fact that they could visit New Zealand en route at minimal extra cost. The facilities of this Post are available to Canadian manufacturers for initial market evaluation purposes but the as-

essment of New Zealand opportunities can best be made by a personal visit to established or potential agents and calls on potential government and industrial users. Given enough notice, the Post will arrange advance appointments to make the best use of the time available. A business visitor's office and small display area can be provided at the Canadian High Commission in Wellington if required. "Time spent in reconnaissance is seldom wasted" is nowhere more true than in New Zealand.



Assistant Trade Commissioners Posted

The 17 members of the 1971-72 group of Assistant Trade Commissioners, who have completed their training course including tours of Canadian industry, have now received their postings. They will leave Canada to take up their assignments this spring and early summer.



Axel Conradi
Assistant Commercial Secretary, Djakarta, Indonesia

Born in Springfield, Massachusetts; educated at McGill University, B.A. 1967; University of British Columbia, M.B.A. 1971.



Gary Darychuk
Assistant Commercial Secretary, Havana, Cuba

Born in Regina, Sask.; educated at University of Saskatchewan, B. Comm. 1967; University of Alberta, M.B.A. 1971.



Robert Dery
Assistant Commercial Secretary, Melbourne, Australia

Born in Metabetchouan, Que.; educated at University of Quebec, B.A. Hon. (Admin.) 1971.



Paul Desbiens
Vice Consul and Assistant Trade Commissioner, Boston, Mass.

Born in La Tuque, Que.; educated at Laval University, "License" (Business Admin.) 1971.



Bernard Giroux
Vice Consul and Assistant Trade Commissioner, Manila, Philippines

Born in Montreal, Que.; educated at University of Montreal, B.A. 1968; McGill, B.A. Hon. (Economics and Political Science) 1970; University of Montreal, M.Sc. (Economics) 1972.



Jim Graham
Vice Consul and Assistant Trade Commissioner, Sao Paulo, Brazil

Born in Rosetown, Sask.; educated at University of Saskatchewan, B.A. (Economics), B. Comm. (Management) 1971.



David Horley
Assistant Commercial Secretary, Brussels, Belgium

Born in Brandon, England; educated at Bishop's University, B. Sc. (Chemistry, Mathematics) 1962; Queen's University, M. Sc. (Chemistry) 1964.



Régent Lapointe
Vice Consul and Assistant Trade Commissioner, Cleveland, Ohio

Born in Quebec City, Que.; educated at University of Laval, B.A. 1968, "Licence" (Admin.)



John Latham
Assistant Commercial Secretary, Lagos, Nigeria

Born in Beamsville, Ont.; educated at Queen's University, B.Sc. Hon. (Chemistry) 1967. 1971.



Geoff Lewis

Assistant Commercial Secretary, Kuala Lumpur, Malaysia

Born in St. John's, Newfoundland; educated at Nova Scotia Technical College, B. Eng., 1966; McGill University, M.B.A. 1971.



John Male

Assistant Commercial Secretary, Bangkok, Thailand

Born in Calgary, Alta.; educated at University of British Columbia, B.A. (English) 1970, M.B.A. (Marketing, International Business) 1971.



Edwin Mallory

Assistant Commercial Secretary, Berne, Switzerland

Born in Lachine, Que.; educated at Royal Military College, B.Sc. 1965; Queen's University, M.B.A. 1971.



Allan Poole

Assistant Commercial Secretary, Belgrade, Yugoslavia

Born in Montreal, Que.; educated at Queen's University, B.Sc. 1967; McGill University, M.B.A. 1971.



Tom Rogers

Assistant Commercial Secretary, Rio de Janeiro, Brazil

Born in Qu'Appelle, Sask.; educated at University of Manitoba, B. Sc. (Agric.) 1969; M.Sc. (Agric.) 1972.



Colin Russel

Assistant Commercial Secretary, Madrid, Spain

Born in Montreal, Que.; educated at McGill University, B. Eng. (Electronics) 1962; M.B.A. 1971.



Peter Sutherland

Third Secretary, Permanent Mission of Canada to the United Nations, New York

Born in Ottawa, Ont.; educated at University of Toronto, B.A. (Economics and Political Science) 1965; LL.B. 1969.



Fred Veenema

Assistant Trade Commissioner, Johannesburg, South Africa

Born in Vreeswijk, Netherlands; educated at University of Toronto, B.A. Hon. (Economics) 1971.

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.

Staircase system

German firm seeks Canadian licensee to manufacture its universal staircase system which can be produced in practically any shape or size — straight flight, dogleg, semi-circular, etc. The system consists of a steel stringer unit construction ready for assembly. The connection of the steel elements is accomplished by a non-welding process. The steps are not fixed to walls, thus no sound is transferred to adjacent premises. Any suitable material can be used for treads, e.g., wood, terrazzo, marble, etc. Literature available. **Item 2578**

Sash construction

Dutch firm is offering under licence the Canadian manufacturing rights to its window frame construction. In this design, the window casement swings outward and is locked in a given position by a casement stay which slides on an aluminum draughtstrip. Equipped with handles, the window opens and closes easily. While no part of the window moves inside the house, it can be cleaned easily from the inside. One model of sash is equipped with built-in ventilation. Literature available. **Item 2579**

Materials handling equipment

American company is offering a licensing arrangement to a Canadian firm to manufacture its line of non-powered materials handling equipment and refuse containers. The handling equipment consists of platform trucks, shelf trucks, carts, benches, stands, production feeder tables, etc., of welded steel construction. The refuse containers, designed for economy and efficiency, are built of extra heavy gauge steel with heavy duty lids for front or rear loading. Literature available. **Item 2580**

Colloidal mill

Swiss company offers under licence the Canadian production and marketing rights for its high-speed colloidal mill. This is a vertical-shaft model, constructed so that all parts that come into contact with the products are of stainless steel. Equipped with indented rotor and stator with a large grinding surface, the mill operates at speeds of from 3,000 to 10,000 rpm. Particles may be ground to a fineness of 1/2 micron or less. This machine handles liquid, semi-liquid and paste products and can be used in several branches of industry for the preparation of pharmaceutical products, cos-

metics, chemical products, food and textile products, etc. Literature available. **Item 2581**

Outdoor lighting globes

American firm offers under licence the manufacturing rights to its outdoor lighting globes, refractors and lenses. These products are made of polycarbonate, acrylic or glass, the specific material being determined by the circumstances of use. Licensee should have injection moulding equipment and be familiar with the plastic products lighting industry. Literature available. **Item 2582**

Floor and table lamps

American inventor offers under licence the Canadian manufacturing and marketing rights to a series of floor and table lamp designs. Inspired by outer space, these lamps are offered in satellite, meteor, asteroid, comet and galaxy models. Table lamp designs are 24 in. high; floor lamp designs are 48 in. high. Plexiglas prototypes and design drawings will be provided for the Canadian licensee. Literature available. **Item 2583**

Wheel-mounted automatic winch

American firm is seeking a licensing arrangement with a Canadian company to manufacture and market its wheel-mounted winch designed for cars and light trucks that have bogged down in mud, snow, sand, etc. The device consists of two drums which bolt to the vehicle's drive wheels; installation does not require jacking up of the vehicle. A high strength braided polyester rope is attached to the drums and to a fixed object. As the wheels turn, the rope winds around the drums and the vehicle is winched out of its predicament. The device can be used to move a vehicle forward, backward or at an angle. Literature available. **Item 2584**

Hole digger

French firm is offering under licence the Canadian manufacturing and marketing rights for its hole digger. This machine, used chiefly in preparing holes for planting, is fitted onto a parallelogram with two-way connections making it possible to dig several holes without changing the position of the tractor or stopping it at a particular spot. The auger is driven by a single, sturdy and easily operated 7 hp hydraulic motor. Literature available. **Item 2585**

Rotary die cutting system

American company offers the Canadian production rights to its rotary die cutting system for non-metallic materials. The system consists of special rotary die cutting cylinders and an all purpose rotary die machine designed to be operated as an integral unit. The cylinders are claimed to be manufactured with an entirely new patented process using prehardened cylinder blanks. No additional hardening is required after machining, thus avoiding the distortion due to hardening that is commonly encountered with soft cylinders. The die cylinders are manufactured to extremely close tolerances with no hand engraving required. Plastics, paper, cardboard and any other non-metallic material can be processed on this system. Literature available. **Item 2586**

Cooking device

American inventor is seeking a licensing arrangement with a Canadian company to manufacture and market his cooking device which utilizes an oven. This device uses solid fuel, such as charcoal, coke or hardwood, to create hot coals. The heat is transferred by fins into a heat absorbing material such as sand or earth. Afterwards, the food is put into a covered container and subjected to the stored heat. Portable models are available for use in or on the ground; a semi-permanent model is available for use on patios, etc. Claimed features include fuel economy and heat retention. Literature available. **Item 2587**

Baby's milk

Swiss firm wishes to negotiate a licence with a Canadian manufacturer for the production and marketing of its baby's milk formulas. These products consist of three types of an adapted (humanized) baby food based on cow's milk. Its composition and biological characteristics have been adapted to those of breast milk during the various stages of lactation. One formula is intended specifically for premature babies, another is an initial food along the lines of transitory breast milk, and a third is a follow-up food to be given from the fifth week of birth onward. Literature available. **Item 2588**

TV antennas and parts

Spanish firm offers under licence the Canadian production and marketing rights to its line of television antennas, accessories and electronic

components. These antennas are multiband, i.e., they can pick up all VHF and UHF channels. The company claims the antennas provide perfect color reception and are sturdy, light weight, and vibration free. They require only minimum bracing and should be mounted for optimum performance on high masts above the level of other antennas. Literature available. **Item 2589**

Drill grapple

Canadian inventor offers under licence the Canadian manufacturing and marketing rights

to his patented drill grapple. This piece of equipment is used to retrieve broken drills from the ground. It has a lift capacity of about four tons. The grapple can be designed to fit any type of drill. While not yet commercially produced, it has been successfully tested. Literature available. **Item 2590**

Disposable liner for re-usable container

Canadian inventors are offering under licence the Canadian production and marketing rights

for their disposable plastic liner for re-usable containers, such as jugs, cartons, etc. The liner consists of pre-sterilized plastic film and a neck adaptor. The liner is inserted into a returnable container, thus providing a disposable inner surface. A cord attached to the neck adaptor permits easy removal of the liner for disposal. It is claimed that containers that are currently discarded could be re-used if liners were employed. If a transparent container is used, advertising can be printed on the liner. Literature available. **Item 2591**

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.

Appliances

ICELAND — Small domestic appliances: B. Jonsson, Managing Director, Orka Limited, Laugavegur 178, P.O. Box 360, Reykjavik.

Automotive

THAILAND — Automobile spare parts and accessories: Far East Merchandise Exchange Inc., 117 Planplachai Road, Bangkok-1.

Builder's supplies

DENMARK — Specialty building supplies and tools: Commercial Counsellor, Canadian Embassy, Prinsesse Maries Alle 2, Copenhagen V.

ICELAND — Prefabricated aluminum window frames and store fronts: E. Thorkelson, Managing Director, Thor Limited, P.O. Box 1194, Reykjavik.

Clothing

ICELAND — Clothing: Belgagjerdin H.F., Bolhoti 6, Reykjavik.

Ready-made clothing: Icelandic Foreign Trading Co., Tjarnargotu 18, Reykjavik.

Chemicals

GERMANY — Ethereal oils for perfumery, lotions and technical use; aromatic chemicals: Alfred Wagner, Arowag, Postfach 135, Blumenstrasse 20, 84 Regensburg 1.

NIGERIA — Industrial, agricultural (fertilizers), etc.: Mrs. Gillian A. de Cent, Managing Director, Khushal Nigeria Ltd., 44 Balogun Street, Box 3878, Lagos.

Equipment

AUSTRALIA — Soil moisture controllers, smoke detectors, gas detectors, carbon monoxide detection metres, soil moisture gauges and metres, soil salinity testers, moisture metres for flour, grain, dried fruits, moisture locators, gas sampling valves (for gas chromatography), liquid phases for gas chromatography, millivolt recorders, laboratory ovens, magnetic hot plate, electronic temperature timer, metre and digital pyrometre, electronic timer (inexpensive), cycle timer, photo multiplier, solution (conductivity) pump control unit. Deltron Instruments, 267 Sussex Street, Sydney, N.S.W. 2000, telephone 26 2751, cable Delscient Sydney.

BRITAIN — Representation for manufacturers of test, quality and environmental control instruments for the petroleum, chemical and process industries: Stanhope-Seta Ltd., Park Close, Englefield Green, Egham, Surrey.

GERMANY — Perambulator skids: Minister-Counsellor (Commercial), Canadian Embassy, Friedrich-Wilhelmstrasse 18, 53 Bonn.

ICELAND — Battery chargers: Smyrrill, Armula 7, Reykjavik.

Portable kerosene space heaters: E. Thorkelson, Managing Director, Thor Limited, P.O. Box 1194, Reykjavik.

Industrial safety equipment: Velsmidjan Dynjandi Ltd., Skeifunni 3 H, P.O. Box 1343, Reykjavik.

NIGERIA — Medical and hospital equipment, central sterilization, dental equipment (especially interested in groups which could offer broad range of equipment which they can use when quoting to Government or government agencies); educational equipment (school laboratories, teaching aids, scientific): Mrs. Gillian A. de Cent, Managing Director, Khushal Nigeria Ltd., 44 Balogun Street, Box 3878, Lagos.

Agency for domestic single and multi-stage centrifugal pumps for bore hole up to three inches, with up to 100-foot capacity. Agent would stock lines as indicated by market. Quantity and payment terms to be negotiated, send specifications and price list: K. Hanna, Technical Division, Reiss and Co. (Nig) Ltd., 47 Docemo Street, Lagos.

NORWAY — Representation for audio-visual equipment for sales promotion and teaching, e.g., flipovers, overhead projectors, pens: Bjorn Dingstad, A/S Kontorutstyrinformasjon, Stortingsgaten 12, Oslo 1.

Foodstuffs

ICELAND — Yellow peas and pea beans: Olafur O. Johnson & Kaaber H.F., Hafnarstraeti, Reykjavik.

Canned fruits and vegetables, canned foods: Guido Bernhoeft, Olafson & Bernhoeft, P.O. Box 521, Reykjavik.

Furniture

GERMANY — Upholstered furniture: Design Wolfgang Feierbach, 6472 Stenstadt/Hessen.

Licensing arrangements; also accessories such as Indian and Eskimo art, wild furs for walls, light fixtures: Gruppe M, Kornbergstrasse 44/46, 7 Stuttgart 1.

Bedroom furniture of solid cedar and light-colored wood; knock-down furniture. Supply without fittings. Quote c.i.f.: Deutscher Möbel-Großeinkauf (DMG), Konrad Peutinger Strasse 7, 8000 München.

Novelty furniture; interested in c.i.f. offers for Canadian specialties: Intraform Import und Grosshandel, Ebersberger Strasse 11, 8 München 80.

Housing

GERMANY — Licensing arrangement for fiberglass houses: Design Wolfgang Feierbach, 6472 Altenstadt/Hessen.

Machinery

BRAZIL — Cable wrapping machine, four-ply kraft paper wrapping in one operation: Gordon S.A. Industria Eletromecanica, Caixa Postal 810, Campinas, SP.

ICELAND — Road-building machinery: David Sigurdsson H.F., Laugaveg 178, Reykjavik.

SWEDEN — Machine or processing system for continuous sugar dissolution; stainless steel or plastic chains for bottle chain conveyors for the brewery industry: Sixten Torne AB, Amiralsgatan 6, S-211 55 Malmö.

Materials

ICELAND — Adhesives: Austrubakki H.F., P.O. Box 1282, Reykjavik.

SOUTH AFRICA — Paraffin wax, nylon film, cellulose type solvents, polyethylene-coated papers, disposable hospital products: P.D. Maitland, Coverplas Agencies, 80 Marine Drive, Paarden Eiland, Cape.

Medical

ICELAND — Medical supplies: Austurbakki H.F., P.O. Box 1282, Reykjavik.

Metals

ICELAND — Steel pipes and steel plates: Velsmidjan Hedinn H.F., Seljavegi 2, Reykjavik.

SWEDEN — Blind rivets, packed in boxes containing large quantities: BVA Vertygs AB, Pinjegatan 4, S-213 63 Malmö.

THAILAND — Re-rolling steel materials and semi-furnished steel products, melting steel scrap, special alloy steel; aluminum ingot; non-ferrous metals: Far East Merchandise Exchange Inc., 117 Planplachai Road, Bangkok-1.

Minerals

ARGENTINA — Construction of a plant to manufacture additives for automotive lubricating oils — basic engineering for construction, licences for use of formulas and procedures, general consultative advice on manufacture and control of raw materials and final products, basic components for manufacture. Public tender 74/72 — Lubricating Additives Plant, Argentina, called by Yacimientos Petroliferos Fiscales (the state oil corporation), opening date May 12, 1972; documents may be purchased for 100 new pesos (U.S. \$10) at Sarmiento 770, Planta Baja, Buenos Aires.

DENMARK — Asbestos powder: Commercial Counsellor, Canadian Embassy, Prinsesse Maries Alle 2, Copenhagen V.

IRAQ — The Iraq National Company (INOC) is inviting all interested international oil companies (organizations) to participate in a sealed bid competition for exploration and development of selected areas of Iraq. Final bids should be received by INOC not later than June 15, 1972: contact the Commercial Counsellor, Canadian Embassy, Boite Postale 2300, Beirut, Lebanon.

Motors

SOUTH AFRICA — Secondhand or reconditioned outboard motor engines, 40 hp range: A. Freedman, Kenroe Distributors (Pty) Limited, 40 Upper Darling Street, South Africa.

Novelties

DENMARK — Novelty items: Commercial Counsellor, Canadian Embassy, Prinsesse Maries Alle 2, Copenhagen V.

GERMANY — Novelty candles: Alfred Wagner, Arowag, Postfach 135, Blumenstrasse 20, 84 Regensburg 1.

Office supplies

BRAZIL — Office supplies: Marino Comercio de Papeis Ltda., Rua Cel. Antonio Marcelo, 238, 01000 Sao Paulo.

Plastics

DENMARK — Manufacture under licence of plastic moulding machinery: A/S Farum Savvark, Bygmarken 14, 3520 Farum.

Sports

ICELAND — Sport articles: Austurbakki H.F. P.O. Box 1282, Reykjavik.

Textiles

GERMANY — Rayon staple fibre: Rotspindel GmbH, Postfach 2249, 858 Bayreuth.

ICELAND — Pile fabric, skin, nappa: Belgagjerdin H.F., Bolholti 6, Reykjavik.

Nylon wadding, imitation fur for lining, bed sheets (linen, damask): Icelandic Foreign Trading Co., Tjarnargotu 18, Reykjavik.

Tools

SWEDEN — Tools for pipe and tube works, such as bending, cutting, coning and threading; screw taps; pliers for blind rivets, power driven and manual; power hacksaw blades: BVA Verktygs AB, Pinjegatan 4, S-213 63 Malmö.

Toys

SWEDEN — Boxes or envelopes of assorted stamps for young stamp collectors who have just taken up the hobby. Stamps should be of fairly low value and not intended for qualified philatelists: AB Berico, Scheelegatan 13, S-212 28 Malmö.

Vehicles

ICELAND — Snow scooters: David Sigurdsson H.F., Laugaveg 178, Reykjavik.

Wood products

BRAZIL — Fine papers of all kinds: Sartet S.A. Comercio e Importacao, Rua Conselheiro Brotero, 585/589, 01000 Sao Paulo.

FINLAND — Impregnated crape kraftpaper suitable as base material for tesa tapes: Oy Kauppakumppanit, P.O. Box 91, Turku, Finland.

ITALY — Silver spruce in 13-foot lengths and in quantities from 5,000 to 10,000 cubic meters or 10,000 standards; letter of credit; delivery any port in Italy other than Trieste: (1) Adriatic Shipping Company S.p.A., Riva Nazario Sauro 2, 34100 Trieste; (2) Dr. Otto Elsass, Via Milano 17, 34100 Trieste; (3) Vittorio Tomsic Jr., Scalo Legnami, 34100 Trieste.

JAMAICA — "Knotless" or clearest white pine planks, 1½ or 2 inch by 12 inches; quote c.i.f. Kingston per 1,000 board feet: Douglas C. Crane Ltd., 9 Gold Street, Kingston.

SWEDEN — Douglas fir plywood: (1) AB Northern Plywood & Timber, Sveavagen 5-7, S-111 57 Stockholm (attention Torsten Fahlander, President); (2) AB Broderna Cederlof, Box 4055, S-800 04 Gävle (attention E. Jamtberg, President); (3) Skandinaviska Travaruagenturen Wettergren & Co. AB Fack, S-200 62 Malmö (attention Roland Sydell); (4) Canada Bygg AB, Box 344, S-171 03 Solna 3 (attention Jan Swartling).

THAILAND — Paper and board, cellophane paper, etc.: Far East Merchandise Exchange Inc., 117 Planplachai Road, Bangkok-1.

New cement plant in Qatar

A \$10.9 million contract for the construction of a new cement plant in Qatar in the Persian Gulf has been awarded to Tarmac Construction of England. The plant will have a daily capacity of 350 tons. Qatar now produces cement at the rate of 300 tons a day — Beirut

Singapore issues standards certification

A scheme was recently launched by the Singapore Institute of Standards and Industrial Research (SISIR) to help local manufacturers to increase sales of their products at home and abroad. Under the plan manufacturers will be allowed to stamp the SISIR mark on products that reach a certain standard or specification. This mark will show that the products have been certified by a competent and independent authority, and would assure consumers of the quality, reliability and, in some cases, safety of the goods — Singapore

Work starts on Suemed pipeline

Work has started on the Suez-Alexandria (Suemed) pipeline. Two Egyptian construction companies will build most of the installations in these two areas. The project will include the construction of three berths at the pipeline's Gulf of Suez terminal, two for tankers of 250,000 tons and the third for tankers of 120,000 tons. Five other berths will be built at the pipeline's Alexandria terminal, two for tankers of 250,000 tons and three for tankers of 120,000 tons. All eight berths will be constructed by a Dutch company. The project will require the construction of 12 oil depots at the two terminals, each depot with a capacity of 200,000 barrels (105,000 tons).

Three Japanese mills will supply 40,000 tons of steel pipes worth \$8 million for the projected 330 km. pipeline. West Germany, Italy and France will supply the remaining 90,000 tons — Cairo

Foreign investment in Spain increases

Foreign investments in Spain involving more than 50 per cent capital participation in Spanish companies totalled U.S. \$136.8 million last year, compared with \$115 million in 1970 and \$61.4 million in 1969.

Investment last year in millions of dollars (1970 figures in brackets) were: W. Germany, 29.3 (16.5); U.S., 20.0 (35.7); Switzerland, 19.1 (38.3); Britain, 14.7 (6.7); France, 14.3 (7.8). Percentage distribution of these investments was: chemical industries, 31.63; real estate, 12.77; and electrical machinery manufacturing, 10.28.

The Spanish Government, in order to attract foreign investments, grants tax remission for investments in capital equipment made before June 30, 1972, under a decree law promulgated in December — Madrid

Naval orders for Scottish yards

Scottish shipyards are to receive the major share of Royal Navy contracts announced recently by the British Government. Yarrow Shipbuilders Ltd., Scotstoun, is to build four Type 21 frigates worth \$80 million. First of the frigates was to be laid down in March, 1972. The last is to be completed by 1976. Yarrow's order book is now just under \$125 million. Scott-Lithgow Ltd., Port Glasgow, has obtained orders worth about \$300 million for two supply vessels and a research ship. Robb-Caledon Ltd. is to build two survey ships and a salvage vessel, worth about \$13.75 million — Glasgow

Sund to build pulp factory in U.S.S.R.

Sund AB of Sweden has won a contract to supply a plant for the production and bleaching of refined chip-pulp for a newsprint mill in the Soviet Union. The process, a method of grinding chips between smooth metal plates to produce a high quality mechanical pulp, is based on development work carried on by Svenska Cellulosa AB and Sund AB. The contract requires that the plant be built on a turnkey basis and completed in December this year. Production will be about 50,000 tons of pulp annually — Stockholm.

Poland buys heavy Volvo trucks

Volvo has signed a contract with the Polish motor industry for delivery of 77 of Volvo's heaviest trucks. The trucks, the first shipment from Volvo to Poland, are intended primarily for Poland's state railways — Stockholm

Bahrain's imports increase

Bahrain's imports during the first half of 1971 reached \$111.8 million, an increase of \$28.7 million over the same period in 1970. Exports, excluding oil, totalled \$28 million compared with \$23.6 million during first half of 1970 — Beirut

Watch factory goes up in Singapore

Timex Corporation has started construction of an \$8 million factory on a 14-acre site at Lorong Chuan, Singapore. The plant, TMX Singapore Private Ltd., will manufacture tools, dies and watch parts for export to Thailand, Hong Kong and other Southeast Asian countries where watches will be assembled — Singapore

Swedes, Danes co-operate in seed sales

A long-term seed sales agreement has been reached between the Swedish company, Hammenhogs Fro (a subsidiary of the Svalov concern) and the Danish firm, J.E. Ohlsens Enke, Copenhagen. Under the agreement, the Swedish company will handle the sale and distribution of

the Danish firm's seed varieties and other products in Sweden and the Danish company will look after all exports of its and the Swedish company's products through its world-wide sales organization — Stockholm

Ore processing plant is built in Jurong

Asian Minerals Products, an Australian-financed ore processing plant, has been built in Jurong, Singapore, and will supply barytes (barium sulphate), an important component used in off-shore oil exploration. The raw barytes arrive at the plant in rock form from mines in southern Thailand and are ground at the mill into heavy powder. The powder, when mixed with water, forms a heavy mud which facilitates the drilling process and acts as a lubricant.

The plant now employs 20 workers but more jobs will be created when the plant increases production within a year to reach its full capacity of 50,000 tons annually — Singapore

Mexico builds more fishing boats

Some 500 new fishing boats will be built at Mexican government-operated shipyards over a four-year period, at a cost of \$120 million, the Navy Ministry has announced. The majority will be used in shrimp fishing. The other will be exported — Mexico, D.F.

Mexico almost self-sufficient in iron and steel

The director general of Altos Hornos de México, José Antonio Padilla Segura, says Mexican firms account for 98 per cent of the country's iron and steel production. Mexico now requires four million tons of steel annually but will need 10 million tons a year by 1980 — Mexico City

Pemex plans expansion

Petroleos Mexicanos, the government petroleum monopoly, will invest \$46 million to build additional crude oil refining facilities at its Salamanca plant. The new hydro-disintegration plant will process 18,500 barrels (2,936 cubic meters) of crude oil a day, to produce daily 1,869 barrels of liquid gas, 6,300 barrels of gasoline, 2,780 barrels of kerosene, 4,533 barrels of diesel fuel and 9,900 barrels of other combustible oils. Installations will include a hydrogen generator, a reaction and disintegration unit, two purification units, a recovery plant and two sulphur units. Two huge burners, each 100 meters tall, will reduce wastes to below the acceptable pollution level — Mexico City

First Danish nuclear power station planned

ELSAM, a federation of seven Western Danish power stations, has asked the Danish Atomic Energy Commission and the Minister for Public Works and Pollution Control for talks on the areas to be reserved for the construction of an atomic power station. Ten locations have been found suitable for Denmark's first nuclear power station which is expected to be in operation around 1980.

The plant will have a capacity of about 600 megawatts — Copenhagen

Argentina to use Mexican expertise

Industrias Monterrey, S.A. — Mexico's largest galvanized sheet producer and Latin America's only manufacturer of pre-painted sheet metal — has signed an agreement with Compania Metalurgica y Siderurgica, S.A.I.C., of Argentina to provide technical knowhow for the installation of a continuous galvanizing operation and a personnel training program. The Argentine company will also make use of IMSA's patents and processes — Mexico City

Singapore increases subscription to IMF

Singapore has agreed to increase its subscription to the International Monetary Fund (IMF) by 25 per cent to \$37 million from \$30 million. Singapore will now be able to borrow more from the Bank and enjoy greater voting power — Singapore

Large bentonite deposits discovered in Iraq

Bentonite in commercial quantities has been discovered in northern Iraq. An official of the Iraqi National Minerals Company says preliminary estimates put bentonite reserves in the area at more than half a million tons. Iraq currently imports large quantities of bentonite for use in various industries — Beirut

China buys Iraqi sulfur

The Peoples' Republic of China has agreed to purchase a minimum of 100,000 tons of Iraqi sulfur a year during the next five years. In June 1971, Iraq and China concluded an Economic-Technical Co-operation Agreement whereby China granted Iraq an interest-free loan of \$42 million to cover the cost of industrial machinery and technical services to be supplied by the Chinese — Beirut

Iraq spends \$40 million on agriculture

The planning Board of Iraq has approved the allocation of \$40 million for the development of agriculture. The main objective of this allocation is to develop plantations of corn, potatoes and onions, establish a new poultry farm, construct a modern slaughter house in Baghdad and develop irrigation projects in various parts of the country — Beirut

Iraq ships fertilizers to China

Under a contract signed in Baghdad, Iraq will ship 25,000 metric tons of chemical fertilizers (10,000 of urea and 15,000 of ammonium sulphate) worth \$815,584 to the People's Republic of China. Iraq is the second Arab state to export chemical fertilizers to China. The Kuwait Chemical Fertilizers Company has agreed to ship 240,000 metric tons of urea to the People's Republic of China over a period of one year. The deal, worth \$7.8 million, was concluded in September.

Iraq's \$28 million fertilizer plant at Abu al-Khasib in Basra, which was completed by Mitsubishi of Japan in April 1971, has an annual capacity of 56,000 metric tons of urea, 140,000 of ammonium sulphate, 66,000 tons of ammonia and 110,000 tons of sulphuric acid. The plant utilizes natural gas pumped from the nearby Rumaila field through a 35-mile gas line — Beirut

Germans invest in Singapore

The Federal Republic of Germany has become the fastest growing European investor in Singapore. In just two years, German industrialists have set up six factories and a shipyard, and three German banks have set up offices. The total German investment in Singapore is now about \$50 million — Singapore

Trade Commissioners on Tour

Temporary Duty in Ottawa

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

Miss V.F. Wightman
First Secretary
Mission of Canada to
the European Communities
Brussels, Belgium
May 22-26

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.

British Honduras

A. Blum, Commercial Secretary in Kingston, Jamaica, will visit British Honduras June 5-16.

Bulgaria, Hungary, Romania

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

Caribbean

Trade Commissioners from the Port-of-Spain, Trinidad, office will make the following visits:

Antigua — J.G. Tardif, Assistant Commercial Secretary, June 5-9.

Barbados — D. Hobson Garcia, Commercial Officer, June 19-24.

Dominica — D. Hobson Garcia, Commercial Officer, June 19-24.

French Guiana — J.G. Tardif, Assistant Commercial Secretary, July 10-14.

Guyana — G.H. Musgrove, Commercial Secretary, June 12-15; J.G. Tardif, Assistant Commercial Secretary, July 10-14.

Montserrat — D. Hobson-Garcia, Commercial Officer, June 19-24.

St. Kitts — J.G. Tardif, Assistant Commercial Secretary, June 5-9.

St. Martin — D. Hobson-Garcia, Commercial Officer, June 19-24.

Surinam — G.H. Musgrove, Commercial Secretary, June 12-15; J.G. Tardif, Assistant Commercial Secretary, July 10-14.

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.

Italy

D.S. Wright, Assistant Commercial Secretary in Rome, will visit Sardegna May 31-June 1 and Padova June 15-16.

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.

United States

A Trade Commissioner from the Seattle, Washington, office visits the office territory—Oregon, Alaska, Idaho, Western Montana—on a regular basis.

Foreign Tariffs and Trade Regulations

Brazil

The Customs Policy Council passed the following resolutions on tariffs on January 28, 1972:

Resolution 1212 — Reduces the tariff from 45 per cent to 10 per cent on copper foil with maximum thickness 0.07 mm. and a maximum weight of 632 grams per square meter (tariff item 74.05.00.00) when imported by manufacturers of plastic sheets, printed circuits etc.

Resolution 1214 — Removes the tariff on ferro silicon with a maximum content of 50 per cent silicon (tariff item 73.02.08.00). Can be re-imposed at any time it is felt necessary.

Resolution 1217 — Extends until February 16, 1973, the duty free import of wood pulp under tariff position numbers: 47.01.01.00; 47.01.02.00; 47.01.04.00; 47.01.05.00; 47.01.06.00; 47.01.07.00 and 42.02.00.00.

Resolution 1218 — Fixes a quota of 1,650,000 tons of wheat which can be imported in 1972 without paying duty.

Resolution 1219 — Extends until January 24, 1973, the duty free import of fluoride of aluminum and fluorides of aluminum and sodium (tariff items 25.28.01.00; 28.29.-05.00 and 28.29.11.00).

Resolution 1234 — Reduces the tariff from 20 per cent to 1 per cent on superphosphate fertilizers with a quantity of more than 22 per cent of P_2O_5 (tariff item 31.03.05.00).

Reduces the tariff from 25 per cent to 10 per cent on ammonium phosphate fertilizers containing 6 mg or more of arsenic per kilogram (tariff item 31.05.01.00).

Reduces the tariff from 10 per cent to 1 per cent on sulphate of ammonia fertilizers (tariff item 31.02.04.00).

Colombia

The Colombia Monetary Board recently issued Resolution No. 17 on reductions of prior import deposits. Parts of each of the following tariff items are affected: 05.07; 28.45; 28.46; 28.47; 28.48; 29.06; 29.07; 29.09; 29.11; 29.-12; 29.13; 29.16; 32.07; 32.08; 34.02; 34.03; 35.02; 35.04; 37.04; 38.03; 40.14; 49.08; 70.20; 90.10.

Further information is available from the Latin America Division, Office of Area Relations, Department of Industry, Trade and Commerce.

Ecuador

The Central Bank has simplified the prior import deposit regulations. List I imports (essential goods) are now sub-

ject to a prior deposit of 50 per cent of the c.i.f. value, regardless of payment terms. The deposit is returnable in 120 days. For all List II items (non-essential and luxury goods) importers must deposit 100 per cent of the c.i.f. value. The deposit is held for 180 days.

Guyana

The Guyana Exchange Control (Import and Export) Order 1959, as amended by the Exchange Control (Import and Export) Order 1961, and the Exchange Control (Import and Export) Order 1971, requires that a traveller, if about to leave Guyana, may take with him only Guyana currency notes to the value of G\$100, and the equivalent of G\$50 in currency notes of any other country or countries. Travellers may therefore find it convenient to convert into travellers cheques any foreign currency notes they expect to have in their possession at the time of their departure from Guyana.

Malaysia

Malaysian Government announced several tax changes in its 1972 budget. The more important ones are:

1. A sales tax of 5 per cent to be imposed on all imported and domestically-manufactured goods. The sales tax will not go into effect immediately in order to allow the Government a reasonable time to explain its application to both the business community and the public. When in effect, the tax on imports will be based on the duty-paid value.

2. The import duty on transport items into East Malaysia, including radiators, radiator parts and accessories, will be stabilized at 30 per cent. Motor assembly plants in West Malaysia will continue to obtain duty-free entry.

3. Import duty on beer increased by 30 cents a quart.

Mexico

Effective January 1, 1972, the Mexican Government has reduced the import duties on some 1,200 classifications covered in Chapters 84 and 85 of the Customs Tariff dealing with machinery and electrical equipment.

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

Peru

Government Resolutions No. 2283-71-IC-DECI of December 31, 1971, No. 026-72-IC-DGI-DECI of January 1, 1972, and No. 142-72-IC-DGI-DECI of January 27, 1972, add some more products to the National Register of

Manufactured Products. Import of the items on the National Register is prohibited when local suppliers can meet demand. Parts of the following tariff items are affected by the new resolutions: 02.06; 04.03; 04.04; 11.02; 11.08; 16.-01; 16.02; 17.02; 23.02; 23.07; 28.31; 30.03; 33.06; 34.01; 35.05; 38.12; 40.08; 40.09; 40.14; 61.01; 64.01; 64.05; 73.-11; 73.12; 73.18; 73.29; 74.10; 76.02; 76.12; 83.15; 84.41; 84.59; 84.61; 85.04; 85.13; 85.23; 90.01.

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

Uruguay

By a decree dated December 28, 1971, the Uruguayan Government has exempted the following items from the import tax by the percentages indicated:

	Per cent
1. All imports made by U.T.E. (Government-owned telephone co.)	100
2. Newsprint with watermarks	100
3. Oil and grease lubricants	85
4. Metals and/or alloys in ingots	40
5. Copper in bars or tubes	40

These exemptions will be in force from January 1 to June 30, 1972.

Uruguay

The Uruguayan Government has officially announced the devaluation of the peso by nearly 40 per cent.

The rate of 500 pesos = U.S.\$1.00 was established for all import and export transactions. The previous rate was 375 pesos = U.S.\$1.00.

All exchange transactions not linked to imports and exports must now be carried out on a newly-established financial market which is supposed to fluctuate in accordance with supply and demand.

Venezuela

Venezuela introduced a number of tariff changes and import controls by decrees dated March 8 and published in the *Official Gazette* of March 10.

The following products are now subject to import licensing:

Prepared paints, enamels, varnishes and lacquers if in aerosol containers (tariff items 533-03-01 and 533-03-02).

Adornments, knobs, latches of common metal (item 699-18-07).

Handsaws, fully assembled, and sawblades (item 699-12-02-1).

The duties were increased on the following goods:

Carboxymethyl cellulose (item 599-01-04-4) from 1.00 to 1.90 bolivars per gross kilogram.

Iron nipples from 6.35 mm (¼ in.) to 203.2 mm (8 in.) in diameter and up to 609.6 mm (24 in.) in length, from 0.005 to 4.00 bolivars per gross kilogram.

INTERNATIONAL LOANS

Malaysia plans new highway

Malaysia will build a section of the Kuala Lumpur to Karak highway (Federal Route 2) in West Malaysia with the help of a \$13.4 million loan from the Asian Development Bank. Route 2 is the only direct route linking the east and west coasts of the Malay Peninsula.

The project, to be completed by the end of June 1976, provides for detailed engineering and construction of about 18.5 miles of two-lane highway from Kuala Lumpur and includes a 3,000-foot tunnel at Genting Sempah Pass. The Malaysian federal Public Works Department will implement the project.

The loan carries an interest rate of 7.5 per cent and is repayable over 25 years, with a five-year grace period.

Agriculture schemes in India

The International Development Association (IDA) is providing \$39 million to finance part of the cost of completing Phase 1 of the massive Pochampad irrigation scheme at the Godavari in southern India. Under the plan, about 250,000 acres in the State of Andhra Pradesh will be irrigated initially.

The IDA, with Sweden, is also helping to build modern foodgrain storage and handling facilities in India's wheat belt — Punjab, Haryana, Rajasthan and Uttar Pradesh. IDA and Sweden will each provide \$5 million on concessionary terms to assist in financing the project, which is to be completed in three years.

The Pochampad scheme, which will eventually cover 988,000 acres, was started in 1964. Progress, however, has been slow, partly because of the scarcity of funds. Work now to be carried out under Phase 1 includes completion of a nine-mile-long dam on the Godavari River to create a storage reservoir, a main canal and a distributary system to serve 247,000 acres, improvement of the drainage system, land levelling and construction of 285 miles of new village and farm-to-market roads. The credit needs of farmers in the project area will be met by the Land Mortgage Bank of Andhra Pradesh to which IDA granted a credit of \$24.4 million in January 1971.

The wheat belt project, which will cost an estimated \$15 million, will help to reduce waste and spoilage of food-grains and relieve the strain on transportation. It includes provision for the training of silo personnel and for an

all-India study of foodgrain storage and distribution. Construction under the scheme will include 10 silos, each with a capacity of 20,000 tons, and 20 warehouses, each with a capacity of 10,000 tons. The silos will be built by the modern slip-form construction method.

The IDA credit for this project is the first Bank operation in the field of grain storage in India and is repayable over 50 years free of interest. Terms of the Swedish credit are the same.

The increase in agricultural output when the Pochampad scheme reaches full development is expected to be equivalent to about \$33 million annually. The IDA credit for this project will be extended to the Government of India which will relend it to the State of Andhra Pradesh. It will be interest free over a term of 50 years, including a 10-year grace period.

The first phase of the scheme is to be completed by June 1976 at a total estimated cost of \$127 million. About \$36 million has already been spent and the IDA credit will provide \$39 million of the \$91 million still to be financed. The remainder will be met by the State of Andhra Pradesh.

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.

Country and Currency	Value of		Country and Currency	Value of	
	foreign currency unit in Canadian dollars at April 6	Canadian dollar in foreign currency units		foreign currency unit in Canadian dollars at April 6	Canadian dollar in foreign currency units
Algeria Dinar	.2093	4.78	Ecuador Sucre (official)	.0399	25.06
Arab Republic of Egypt Pound (official)	2.2914	.44	El Salvador Colon	.3985	2.51
Argentina Peso (free)	.1994	5.02	Fiji Dollar	1.2421	.81
Australia Dollar	1.1880	.84	Finland Markka	.2430	4.12
Austria Schilling	.0432	23.15	France, Monaco, etc.¹ Franc	.1979	5.05
Bahamas Dollar	1.0270	.97	French Pacific² Franc	.0108	92.59
Belgium and Luxembourg Franc	.0226	44.25	Franco-African Republics³ Franc	.0039	256.41
Bermuda Dollar	1.0397	.96	Germany D Mark	.3140	3.18
Bolivia Peso	.0839	11.92	Ghana New Cedi	.7771	1.29
Brazil Cruzeiro (official free)	.1710	5.85	Greece Drachma	.0332	30.12
Britain Pound	2.5999	.38	Guatemala Quetzal	.9963	1.00
British Honduras Dollar	.6078	1.64	Guyana Dollar	.5136	1.95
Burma Kyat	.1863	5.37	Haiti Gourde	.1993	5.02
Ceylon Rupee	.1674	5.97	Honduras Lempira	.4981	2.01
Chile Escudo (bank rate) (free)	.0631 .0356	15.85 28.09	Hong Kong Dollar	.1787	5.60
China, People's Republic of Renminbi	.4188	2.39	Hungary Forint (official)	.0869	11.51
Colombia Peso (fixed)	.0465	21.51	Iceland Krona (official)	.0113	88.50
Costa Rica Colon	.1504	6.65	India Rupee	.1362	7.34
Cuba Peso	1.0833	.92	Indonesia⁴ Rupiah	.0024	410.00
Czechoslovakia Koruna (fixed basic rate)	.1521	6.57	Iran Rial	.0134	74.63
Denmark Krone	.1428	7.00	Iraq Dinar	3.0286	.33
Dominican Republic Peso	.9963	1.00	Ireland Pound	2.5999	.38

Country and Currency	Value of		Country and Currency	Value of	
	foreign currency unit in Canadian dollars at April 6	Canadian dollar in foreign currency units		foreign currency unit in Canadian dollars at April 6	Canadian dollar in foreign currency units
Israel Pound	.2372	4.22	Philippines⁶ Peso (free)	.1552	6.44
Italy Lira	.0017	588.24	Poland Zloty (fixed basic rate)	.2577	3.88
Jamaica Dollar	1.3000	.77	Portugal & Colonies⁷ Escudo	.0366	27.32
Japan Yen	.0033	303.30	Saudi Arabia Riyal	.2273	4.40
Kenya⁵ Shilling	.1441	6.94	Sierra Leone Leone	1.2371	.81
Korea, Republic of Won	.0027	370.37	Singapore Dollar	.3358	2.98
Lebanon Pound (free)	.3174	3.15	South Africa Rand	1.3350	.75
Libya Dinar	2.9467	.34	Spain & Dependencies Peseta	.0154	64.94
Malawi Kwacha	1.2494	.80	Sweden Krona	.2084	4.80
Malaysia Dollar	.3533	2.83	Switzerland Franc	.2586	3.87
Mexico Peso	.0797	12.55	Syria Pound (free)	.2711	3.69
Morocco Dirham	.2137	4.68	Thailand Baht (free)	.0479	20.88
Netherlands Florin	.3112	3.21	Trinidad & Tobago⁸ Dollar	.5408	1.85
Netherlands Antilles Florin	.5566	1.80	Tunisia Dinar	2.0603	.49
New Zealand Dollar	1.1830	.85	Turkey Lira	.0712	14.04
Nicaragua Cordoba	.1423	7.03	United States Dollar	.9963	1.00
Nigeria Pound	2.8835	.35	Uruguay Peso (free)	.0020	500.00
Norway Krone	.1512	6.61	Venezuela Bolivar (official free)	.2269	4.41
Pakistan Rupee	.2089	4.79	Yugoslavia Dinar (official)	.0586	17.06
Panama Balboa	.9963	1.00	Zaire, Republic of⁹ Zaire	2.054	.49
Paraguay Guarani (free)	.0079	126.58	Zambia Kwacha	1.4576	.69
Peru Sol (free)	.0257	38.91			

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).

Show of the Month

What better reception for a visitor to the 13th National Plastics Exposition than the information centre in the Canadian Exhibit, furnished with Canadian-made plastic chairs and tables?

It was, indeed, an appropriate and eye-catching introduction to the six Canadian displays which formed part of this international exhibition at Chicago's McCormick Place and reflected their innovative designs that helped to rack up on-site sales of \$128,000 and draw over 1,200 inquiries. Most of the 381 firms who participated were U.S.-based, but there were also companies from Britain, France, Germany, Italy, Japan and Switzerland, and together they attracted 35,859 registered visitors to the show.

Canadian products ranged from plastic molds and bottles to injection molds and molding machines, automatic compression molding presses, aluminum blow molds, hot runner molding systems and polyethylene tanks. Their impact on the delegates can best be summed up by Rosedale Plastics Limited, one of the exhibitors, who noted that, "As a direct result of the plastics show in Chicago, we have landed a contract which should be worth at least \$100,000 a year."

The Canadian display, the only official government exhibit at the show, included Blow Mold Tooling Limited, Rexdale, Ontario; Dynacast Limited, Montreal, Quebec; Hydraforce Limited, Mississauga, Ontario; Mold-Masters Limited, Toronto, Ontario; Rosedale Plastics (Containers) Limited, and Wentworth Mould and Die Company Limited, Hamilton, Ontario.

This was Canada's second participation in this show, last held in Detroit in June 1970. The companies who exhibited at that time have, since then, made over \$4 million in sales that were almost all a result of their participation in the show. Plans are now being made to continue Canadian participation in future plastics machinery shows in order to further expand Canada's share of this ever-increasing market.



Product design, performance and presentation brought Blow Mold Tooling Limited \$100,000 worth of on-site business...

won Rosedale Plastics (Containers) Ltd. a follow-up contract of \$100,000 a year...



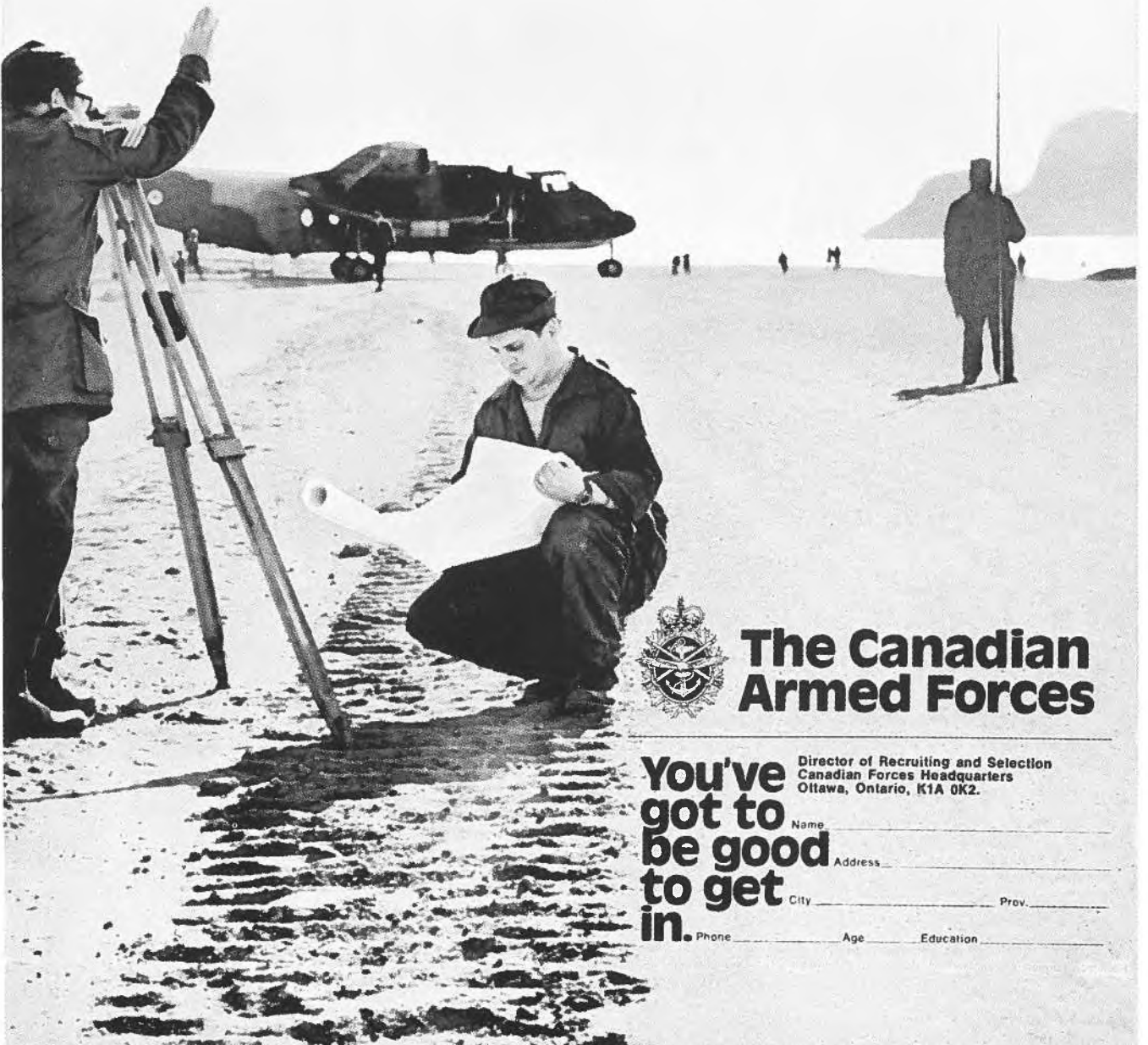
drew a steady stream of delegates to the Dynacast Limited booth.



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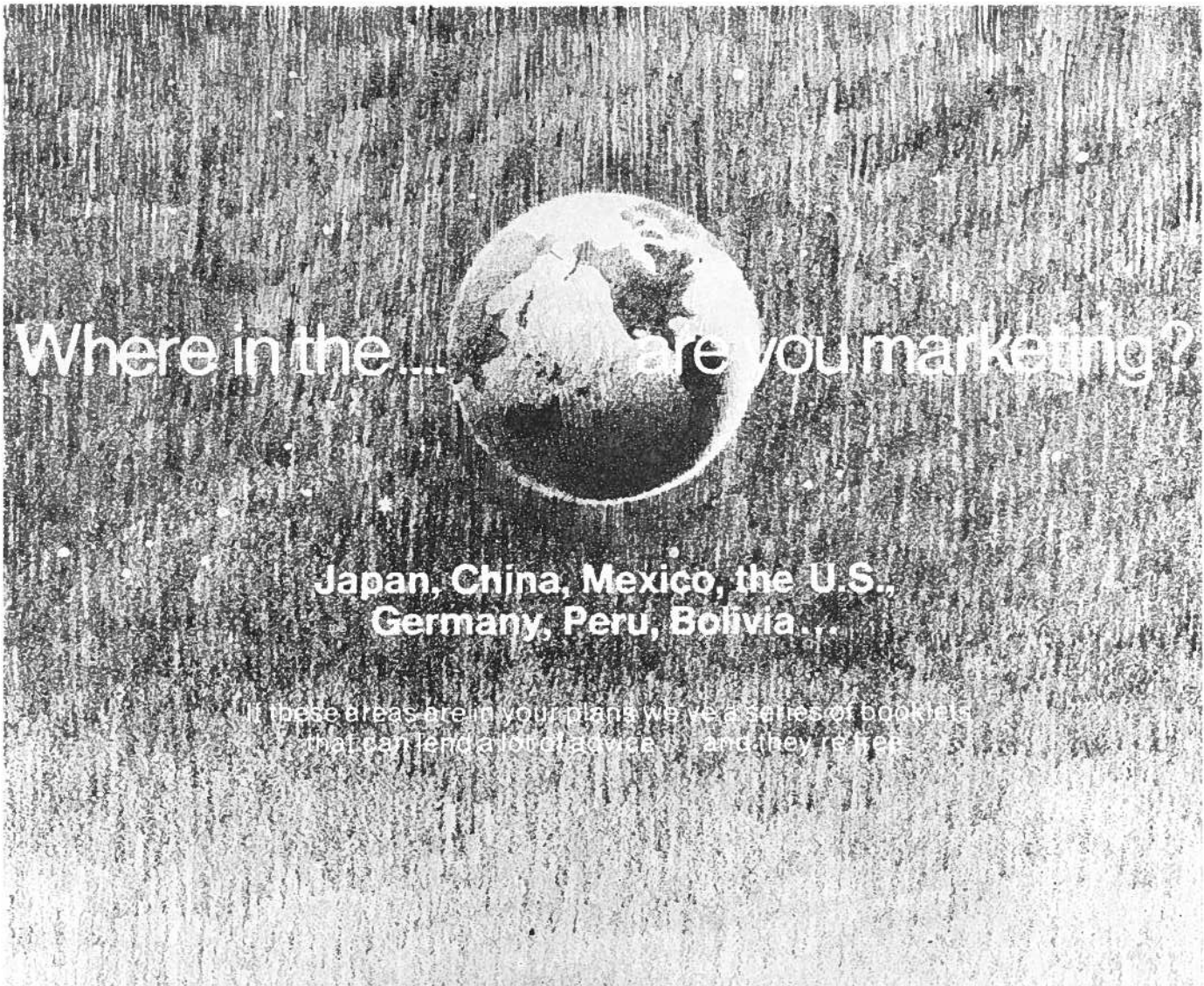
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