January

Canada Commerce

1973

Report:

Jamaica
British Honduras
Cayman Islands
Turks and Caicos

B.G. Barrow

T.M. Burns

The Honourable Alastair Gillespie, Minister of Industry, Trade and Commerce, has announced a reorganisation of the Department together with the appointment of B. G. Barrow as Senior Assistant Deputy Minister, Industry, and T. M. Burns as Senior Assistant Deputy Minister, International Trade.

The new structure will be described more fully in an early edition of Canada Commerce so that Canadian businessmen will be familiar with the organization and in a position to get the most benefit from the services available.

In his announcement, Mr. Gillespie said there would be a regrouping of some of the components of the Department. The changes are designed to clarify areas of responsibility and improve co-ordination of the Department's efforts to strengthen Canada's industrial and trade performance at home and abroad.

A strategic planning group reporting directly to the Deputy Minister is also being created. Its task will be to develop longer-term strategies for the achievement of Canada's economic goals in the evolving domestic and international environment and the reconciliation of these with other national objectives.

Additional appointments announced by the Minister were those of Robson G. Head as Assistant Deputy Minister, Industry Development, R. E. Latimer as Assistant Deputy Minister, International Trade Relations, and Claude Charland as Assistant Deputy Minister, Export Development. L. J. Rodger has been named to fill the vacant post of Assistant Deputy Minister, Administration.

"These appointments, and the attendant changes in the organizational framework of the Department", the Minister said, "result from a process of review and re-evaluation begun by my predecessor, Mr. Pepin. I am confident that these changes will lead to even better achievement in support of Canada's industrial development and international trade performance".

Mr. Gillespie also said that the Department's Regional Offices across Canada would be strengthened and given further responsibility. "I have two objectives in mind", he said. "One is to provide better and speedier service to industries in all regions, and particularly to small businesses. The other is to improve our liaison with provincial governments".

Mr. Barrow graduated from McGill University with a Bachelor of Commerce degree. He joined the Department of Reconstruction and Supply in 1945 and two years later was appointed to the International Trade Relations Branch of the Department of Trade and Commerce. With the formation of the Department of Industry in 1963, he was named Assistant Deputy Minister (Operations). In April 1971, Mr. Barrow was named Assistant Deputy Minister (Customs) in the Department of National Revenue.

Mr. Burns is a graduate of the University of Manitoba and Queen's University, and joined the Department of External Affairs in 1947. The following year he entered the Trade Commissioner Service of the Department of Trade and Commerce and subsequently served in Berne, Colombo, London, Los Angeles, and Washington where he was Commercial Counsellor. He was a member of the continuing Canadian delegation to the GATT Kennedy Round negotiations in Geneva from 1964 to 1967. In 1968 he was appointed General Director, Office of Area Relations and in May 1970, was appointed Assistant Deputy Minister, External Services.

Mr. Head entered the Federal Public Service as Assistant Deputy Minister (Operations) in the Department of Industry, Trade and Commerce in January 1969. Before that he had had 28 years experience in the manufacturing industry in Canada and was Vice-President and Director of Cyanamid of Canada Ltd., Montreal, before joining the Federal Public Service.

Mr. Latimer graduated in political science from the University of Toronto in 1950 and joined the Federal Department of Trade and Commerce the same year. He specialized in the field of international trade and trade relations. From 1968 to 1970 he served as Minister Counsellor (Economics) at the Canadian High Commission in London and as chairman of the International Sugar Council in 1970. He was appointed General Director, Office of Area Relations in the Department of Industry, Trade and Commerce in September 1970.

Mr. Charland, a graduate of McGill University, joined the Trade Commissioner Service in 1957 after working for two years in the press and information section of the Canadian Broadcasting Corporation in Montreal. As a Trade Commissioner he has served in Ottawa, New Orleans, Lagos, Sao Paulo, Brussels and twice in Paris. His latest assignment was as Minister-Counsellor (Commercial) at the Canadian Embassy in Paris.

Mr. Rodger joined the former Trade and Commerce Department in 1947 as Personnel Director, after serving eight years in the Personnel Division of the Post Office Department. After the amalgamation of the Department of Industry with the Department of Trade and Commerce in 1968, Mr. Rodger was named General Director of the Office of Promotional Services.

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In This Issue

The New Year is usually an appropriate time to bring in innovations and, as you can see by turning to the centre pages, this is what we have done. The system will get information to you much more rapidly because printing deadlines can be substantially reduced. The material on these centre pages is printed after the main items and inserted at the last moment. This allows us to cut almost two weeks off the deadline for these items, making them that much more up-to-date and ensuring greater accuracy and usefulness for our readers.

If nine out of ten countries use the metric system, most of the Canadian importing and exporting community should already be fairly conversant with the system. Presumably most problems arise when a commodity is exported in metric amounts or metric weights and is reported in pounds/feet measurements. And so it should be a boon to all concerned when Canada eventually uses nothing but the metric system. There is still a lot to be done before this happens, as the article on page 12 points out. Those of us who have had a hard time getting around the avoirdupois and the rods and furlongs measurements may look forward to a few more years of fumbling along with our anachronisms. Eventually, however, we shall be forced to retire to the back 40, except that by then it will probably be known as the rear 32½, or would it be 46¾?

Our lead articles this month let you forget the harsh realities of the Canadian winter for a few moments as you plan your business trips to the Caribbean. Our Kingston office in Jamaica reports that that country is proud of its record of achievement since independence. About $300 million a year in foreign investment has been pouring into the country in recent years, encouraged by the incentives offered by the Jamaican Government. Other countries within the territory covered by the Kingston office also offer opportunities for the Canadian entrepreneur. And if you depend on multilateral institutions to bring you an entree, you can read about the policies of the Caribbean Development Bank on page 8.

Articles

Departments

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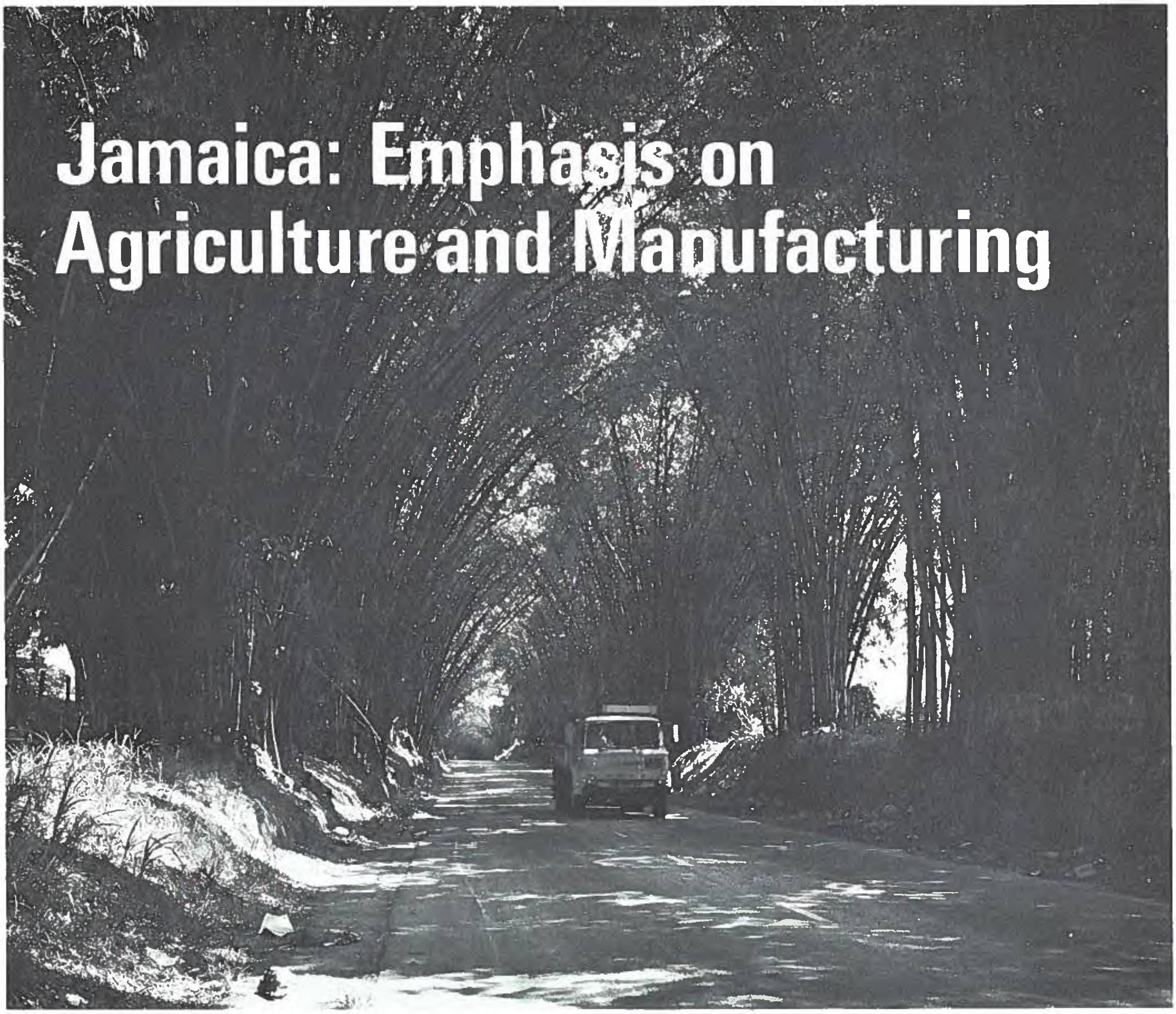
Jamaica: Emphasis on Agriculture and Manufacturing



"Bamboo Avenue" in St. Elizabeth is one of the natural attractions helping to bring more and more tourists to Jamaica every year.

JOHN H. LANG, Assistant Commercial Secretary, Kingston.

Jamaica celebrated 10 years of independence on August 6, 1972, In the first decade of autonomy from Britain, the economy enjoyed a growth rate that was far better than many of the more optimistic predictions. Gross Domestic Product increased from \$160 million in 1962 to \$1,240 million in 1971. Per capita income is now at about \$570, compared with the 1962 level of \$330. This period witnessed a tremendous expansion in bauxite and alumina output, tourism revenues, and industrial development. Agriculture, the largest employer, did not keep pace with the developments in other fields, and now represents a smaller portion of the total GDP. Sugar output is about the same as in 1962 and citrus is up only 5 per cent. Banana exports have increased from \$10 million to \$14 million over the 10-year period.

Jamaica is proud of its record of political and social stability which have been prime factors in attracting large inflows of foreign investment. An average total annual foreign investment of approximately \$300 million has been made in Jamaica in recent years for the construction of facilities in the tourism, manufacturing and mining sectors. The inflow has now slackened because of completion of expansion programs by the bauxite companies and to some overbuilding in the tourism sector. The investment slowdown has unmasked the economy's biggest flaw-over-consumption. Jamaica has had a chronic trade account deficit which, in 1971, reached \$128 million. If there is insufficient investment to compensate for this, the country will have to exercise some belt tightening.

The Government of Prime Minister Manley has taken steps to curb consumption of imported items while maintaining present price levels. In the summer of 1972 a price freeze was put into effect, credit was tightened, and temporary embargoes were placed on certain non-essential imports, including appliances and automobiles. These were bold steps and the subsequent positive change in foreign reserves was a sign that they were working.

The issue of maintaining a trade balance more favorable to Jamaica is being tackled by a concentrated effort to improve agricultural output. Rehabilitation programs have been launched to resuscitate the sugar, banana, citrus, coffee, coconut, tobacco and vegetable crops, and the Government is turning its attention to the promotion of spin-off agro-industries. These steps should help to reduce Jamaica's dependence on imported basic foods. The next few years should see considerable activity in the development of food processing and handling facilities.

Tourism continues generally to go well. Some excess accommodation, however, exists and hoteliers are complaining about falling profits. Predictions for the industry are optimistic. Despite complaints by some hotels during the season, Jamaica earned a record $100 million from tourist receipts in 1971.

Through its policy of import substitution, the Jamaican Government offers generous incentives for the establishment of manufacturing facilities. This program has resulted in a wide range of locally produced products for domestic and Carifta consumption. Jamaica is well suited as a manufacturing base to serve the entire Caribbean market and there are a number of foreign firms, including Canadian, which have established joint ventures locally. Textiles, television sets, paints, razor blades, furniture, paper and phonograph records, to name just a few, are all produced locally and enjoy duty-free access throughout the Carifta area.

Carifta, the Caribbean Free Trade Association, was formed in 1968 to promote economic integration in the Commonwealth Caribbean. Eventually, a common external tariff, rationalization of industry, harmonization of incentives, and free trade among members will make it increasingly difficult for foreign manufacturers to enter the market. The value of Jamaican exports to Carifta members has grown from $3.5 million in 1968 to an anticipated $14 million in 1972. The Canadian Government offers assistance in a number of ways to Canadian manufacturers interested in exploring the feasibility of setting up operations abroad, and the Jamaica Development Bank holds a relending loan from CIDA which can be used to purchase capital equipment.

Jamaica is well thought of by multilateral lending agencies and consequently is able to finance many infrastructural requirements with funds from these sources. Canadian engineering consultants and contractors with experience in projects abroad should keep up to date on Jamaican projects for which contracts will be let through international tender. The International Financing Branch of the Department of Industry, Trade and Commerce is informed of the status of projects contemplated by those organizations and can provide information to Canadian firms on opportunities which may exist. The Commercial Division of the Canadian High Commission in Kingston also keeps in close touch with the activities of multilateral agencies in Jamaica.

Although continued growth of local manufacturing and some rationalization may have a dampening effect on imports generally, Jamaica will continue to require a wide range and large volume of imports for some time to come.

New Kingston, the growing business section of Jamaica's capital city. The large building in the centre foreground houses the Canadian High Commission, Air Canada and the Jamaican affiliates of Alcan and the Bank of Nova Scotia.

Further information for exporters is contained in the publication *Jamaica*, part of the Department of Industry, Trade and Commerce's "Markets for Canadian Exporters" series, and the booklet prepared by the Commercial Division of the Canadian High Commission in Kingston entitled "Selling to Jamaica" and "Investment in Jamaica". General information on business conditions in Jamaica, including tariffs, may be obtained from the Caribbean Division, Office of Area Relations, Department of Industry, Trade and Commerce, Ottawa.

British Honduras:
For Agriculture and Tourism Investment

Part of Belize City. Another medium-size hotel may be built here in the near future.

Sowing rice on a co-operative farm in the southern part of the country.

D. W. HUTTON, Assistant Commercial Secretary, Kingston.

To the imaginative entrepreneur, the small tropical Central American country of British Honduras (Belize) offers some unique opportunities for investment in agriculture and tourism. It has one of the world's lowest population densities, fertile land, and access to the markets of the Caribbean and North America. Its potential, in fact, is not in proportion to its geographic size.

Belize is a self-governing British dependent territory bordered by Mexico, Guatemala and the Caribbean sea. Internally, it is politically stable and receptive to foreign investment. Externally, the country is moving towards full independence, but this is being somewhat slowed by a border dispute with Guatemala. Belize is also a member of the Caribbean Development Bank and the Caribbean Free Trade Association (Carifta). It has a population of about 123,000 people within 8,868 square miles, or about 14 people to the square mile. Arable land accounts for 38 per cent of the total; 46 per cent of the remaining land is either forest or suitable for forest.

The world is only now becoming aware of the opportunities for tourism in Belize. There is some of the finest warm-water game fishing in the world, skin-diving conditions are wonderful and there are Mayan ruins on the mainland. And the simpler attractions of sun and sand are in abundance. In 1971 there were 46,000 visitors, and there is talk of another medium size hotel being built in Belize City.

More rapid agricultural development is being emphasized. The original crops of sugar and citrus are well established. Sugar contributes 50 per cent of Belize's exports, with a production of 64,800 short tons in 1971. Belize is a low cost producer compared with other areas of the Commonwealth Caribbean. Production and processing of citrus products, which began in the 1920's, includes juices, concentrates, canned grapefruit segments and citrus oil. Substantial new investment is being put into other products, including beef cattle, cucumbers, rice, corn mangoes and red kidney beans.

There are one million acres of land suitable for grazing in British Honduras. In 1970 cattle numbered 38,400 head, enough for domestic requirements, but the land is capable of carrying about one cow to two acres. With the removal of restrictions on cattle imports to the U.S. and the expected certification of a new meat-packing plant in Belize City, sizeable export opportunities are developing both in the U.S. and Carifta. The Carifta market for beef and veal alone was estimated at 20 million pounds in 1968/70, 50 million pounds for rice and corn, 58.2 million pounds for potatoes and 5.4 million pounds for red kidney beans.

Some basic data on Belize illustrate the nature of the present economy. In 1970, Belize had a gross domestic product, at factor cost, of $63.6 million and a per capita income of $511. The economy has been growing at an estimated average rate of 5 per cent over the last decade but, with rising investment, this should increase. Despite the agricultural opportunities, agriculture represents less than 15 per cent of GDP, although it contributes almost 75 per cent of domestic exports. The heavy reliance on imports is indicated by the fact that imports accounted for more than half of the GDP.

Belize had a deficit trade balance in 1970 of $15.5 million. Exports, on an f.o.b. basis, were valued at $18.6 million and imports, at c.i.f. prices, were $34.3 million. This deficit was balanced by long-term capital inflows of direct investment, loans and grants. Belize has a relatively small volume of external debt and a light debt service burden because of the concessionary terms of its external financial aid sources. CIDA, for example, has a relatively substantial aid allocation for this country.

For Canadian investors, Belize offers inexpensive land, a stable English-speaking environment and substantial financial incentives, including income tax exemptions of up to 15 years for agriculture and 13 years for hotels.

For the Canadian supplier, Belize offers a small market but one which is very dependent on imports and is rapidly expanding its economic base. Shipping is available on a regular basis from Canada and at surprisingly low rates. Although it is a competitive market, Canadians have an average 10 per cent preferential duty advantage over non-Commonwealth suppliers.

For information on any aspect of marketing in Belize, contact the Commercial Officers, Canadian High Commission, P.O. Box 1500, Kingston 10, Jamaica, W.I. General information, including tariffs, can be obtained from the Caribbean Division, Office of Area Relations, Department of Industry, Trade and Commerce, Ottawa.

Food for Thought

Canada is now exporting to the U.S. approximately half of its total production of oil and natural gas, but these exports account for less than five per cent of U.S. consumption.
Montreal Gazette

The Alberta government proposes to introduce a two-price system for natural gas to attract industry to the province. A well-head price of 31 cents/1,000 cubic feet, "redetermined" every two years, would appear to be the price required by the government to permit gas being removed from the province. Two-price system would operate by providing Alberta consumers with a rebate.
Globe and Mail

Petroleum industry sources predict that within a few years drilling vessels will move off the continental shelf to probe ocean depths below 1,000 feet.
Globe and Mail

A U.S. Federal Maritime Commission study recommends construction of floating superports off the coast of Delaware and off Louisiana to receive imported crude oil in large tankers requiring up to 100 feet of water. The Delaware port would cost an estimated $499 million and the Louisiana superport about $191 million.
Globe and Mail

Canada and four other countries — the Soviet Union, China, Brazil and Zaire — hold control over the world's future fresh water supply.
Extract from the second Vanier Memorial Lecture at the University of Ottawa by Dr. Thaddee Wilgat, Chief of the Institute of Hydrography, University Marie Curie — Sklodowska, Lublin, Poland

The U.S. Supreme Court has ruled that computer programs may not be patented.
Globe and Mail

Inco has signed an agreement with Japan and Indonesia to develop a new nickel project on the Indonesia island of Sulawesi. Ownership will ultimately be 60 per cent Inco, 20 per cent six Japanese companies and 20 per cent Indonesia.
Engineering

U.S. Assistant Commerce Secretary Andrews Gibson has accused the Canadian government of forcing U.S. computer manufacturers to set up component plants in Canada with a resulting loss of about $200 million a year in U.S. exports to Canada and the replacement of "domestic jobs with Canadian jobs."
Globe and Mail

A non-Canadian company has been selected to manufacture the main computer-controlled switching elements in a $52 million automated message-handling network for the Canadian Armed Forces. No guidelines for minimum Canadian content have been established.
Globe and Mail

Phillips has announced a new system by means of which colour television programs lasting 30-45 minutes can be recorded on one side of a new kind of record resembling a normal long-playing disc. The playback system incorporates an optical pickup and can be connected directly to a normal domestic television receiver.
I.E.E. News

The electricity supply industry in Britain has reached the position where the more electricity it sells, the more money it loses.
I.E.E. News

Corning Glass has developed a new type of low-loss fibre-optic wareguide for optical communication systems. Optical transmission loss is about 4dbs/km — an improvement by a factor of five on the previous best results.
I.E.E. News

"In New Brunswick not only do we not fear foreign investment, we welcome it. We cannot afford to indulge in narrow, outmoded and self-defeating forms of nationalism."
Extract from a speech by Premier Richard Hatfield of New Brunswick to the Canada-United Kingdom Chamber of Commerce in London, England.

The Soviet Union is preparing an export push to sell tractors, heavy machinery, road-grading equipment and other industrial equipment in Canada.
Financial Post

The Cayman Islands: An Expanding Tax-free Tourist Haven

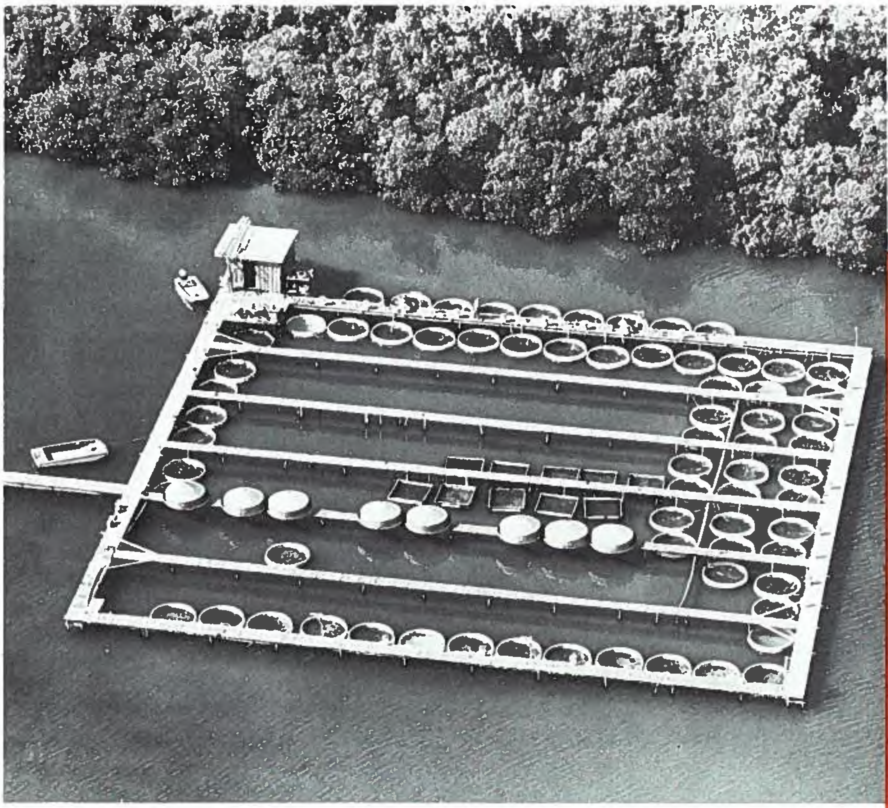
JOHN H. LANG, Assistant Commercial Secretary, Kingston

The Cayman Islands originally served as a revictualling station for 16th Century European sailors sent by their governments to establish commercial contact with the New World. Today the Caymans are enjoying an economic boom based on revictualling tourists and on the islands' becoming a major new tax haven.

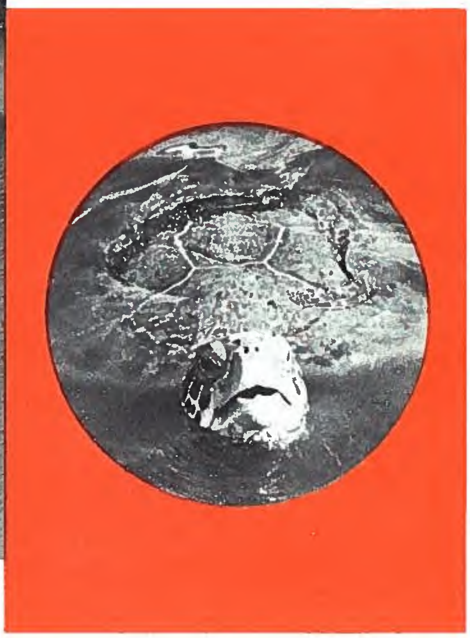
The Caymans have been a British colony for more than 300 years and appear uninterested in changing this status. A seafaring people, Caymanians have traditionally manned a large proportion of the western world's merchant marine. There are 10,600 Caymanians in the Cayman, and at least this number abroad or working on ships around the world. The sudden shift in economic conditions at home has produced a shortage of labor, now the most pressing problem.

Per capita income is estimated at $1,200 — the highest in the Caribbean and is a powerful lure to workers of other Caribbean islands, especially Jamaicans. But the Caymanians are reluctant to allow foreign workers to enter, fearing that an influx of imported labor would cause social problems. Gross Domestic Product has been increasing at slightly more than 25 per cent annually in recent years, largely as a result of a surge in building and construction. The centre of George Town, the capital (population 6,000), is being transformed from a low-profile conglomeration of small offices to a modern business complex by the addition of five major buildings. The building boom is largely a result of an increased demand for office space by banks which have recently been setting up offices almost as fast as the local engraver can produce the brass plaques.

The Caymans are probably the fastest-growing tax haven in the world. More than 60 banks are now registered in George Town — one for about every 100 persons. The Cayman Islands fulfil the requirements of foreign investors seeking new bases of activity by offering the following advantages: they are a stable British colony; there are no income, capital gains, corporate, sales, property, estate or inheritance taxes; companies and trusts can obtain long-term guarantees against future taxes; bank accounts can be in sterling, U.S. or Canadian dollars; modern companies and trust laws prevail; the language is English and English Common Law obtains, and there are good transportation and communication links with the rest of the world. In addition the Caymans enjoy a social harmony unrivalled by many countries in the world. Many Canadian banks and



Floating tanks of a turtle farm, used to hatch the eggs. When the turtles have reached about 100 pounds they are moved to pens.



trust companies have set up operations in the Caymans with the result that there is a substantial number of Canadians living there.

Canadian products have followed the incoming Canadians and are in evidence at building sites and on many supermarket shelves. The Cayman Islands are entirely dependent on imported goods because local production facilities consist of a building block factory, a small dairy herd (feed is imported), and a turtle farm. The turtle industry, incidentally, goes back more than 400 years: turtles were the chief reason for the islands becoming a revictualling station. But hungry seamen almost ate them out of existence and they are now bred in captivity. There are no plans to promote manufacturing in the Caymans, partly because of the labor shortage but also because of the desire not to destroy the tourist environment. Imports into the Caymans amounted to more than $10 million in 1971 and Canadian products, mainly construction material and food products, were well represented. A growing market for these items will result from the rapidly expanding tourist industry which has seen a 300 per cent increase in arrivals since 1967 (about 30,000 visitors were expected in 1972). Hotels will require additional food handling equipment and much more institutional food products to cope with the traffic.

The Caymans are very close to Florida and most imports come via Miami or Tampa. Canadian exporters should be prepared to give quotations c.i.f. these ports. The Commercial Division of the Canadian High Commission, P.O. Box 1500, Kingston 10, Jamaica, can suggest contacts in the Islands for prospective exporters. More general information, including that on tariffs, can be obtained from the Caribbean Division, Office of Area Relations, Department of Industry, Trade and Commerce, Ottawa, Ontario K1A 0H5.

Turks and Caicos: Orderly Tourist Growth

JOHN H. LANG, Assistant Commercial Secretary, Kingston.

Who was the first European to see the Turks and Caicos Islands? The tourist board for the islands insists that a small ship like Christopher Columbus's Santa Maria would have had difficulty in reaching Cuba from San Salvador in the Bahamas in the time that Columbus is said to have managed it. The board maintains, therefore, that the Caicos Islands, not the Bahamas, was Columbus's first landfall in the New World. But in the absence of definite proof, the credit goes to Juan Ponce de Leon who is reputed to have discovered the islands in 1512.

Lying at the southeastern end of the Bahamas chain, just 90 miles north of the Dominican Republic, the Turks and Caicos served first as a base for pirates preying on ships homeward bound from the Spanish Main. The channel between Cuba and Hispaniola was the shortest route to the prevailing west wind in the north Atlantic, but many ships found the welcome awaiting them in the Turks and Caicos to be overwhelming. European ships en-route to the Panama Canal still use the deep water channels between these islands.

Originally the islands were settled by Bermudans who came as early as 1678 to harvest salt. Salinas, or salt pools, are still very much in evidence, but most are no longer in commercial production. Around 1790, Royalists fleeing from Georgia established cotton plantations on the islands with the help of slaves brought with them. The estates proved uneconomic and were abandoned after a hurricane in 1811.

The first regularly established government was in the person of Andrew Symmers who, in 1766, was appointed by the Crown to take up residency to ensure Britain's claim to the islands. Thirty-three years later the islands were placed under the stewardship of the Bahamas Colonial Administration. In 1873 they became a dependency of Jamaica. When Jamaica was granted independence in 1962, the Turks and Caicos became a separate British colony with governing powers vested in the Administrator.

Today, the population of the Turks and Caicos is just under 6,000 in small, loosely grouped villages. Cockburn Town on Grand Turk, the capital, has a population of about 2,300. The next largest settlement is Cockburn Harbour on South Caicos with a population of 1,000.

The islands' revenue comes primarily from Britain in the form of grants and from the U.S. missile tracking station and naval base on Grand Turk. There is very little industry, apart from the manufacture of building blocks and some vestigial salt raking on Salt Cay, but there is a growing trade in crawfish and conch caught locally and exported to the U.S.

A recent study commissioned by the British Government outlined a plan for development over a 15-year period. It recommended the promotion of tourism and suggested a target of 1,800 resort beds by 1985. Most beds would be in guest houses and villas in recognition of the growing popularity of this type of accommodation in the Caribbean. Under the plan, Cockburn Harbour is the proposed site of a distributive, industrial and commercial centre to serve the island groups.

The plan emphasizes the need to develop without haste or overloading available facilities in order to preserve the unspoiled nature of the islands, the sense of tranquility and solitude and the ability to offer a casual holiday in complete contrast to the rush of modern urban living. The over-all image to be promoted is one of calm and quiet enjoyment on a beach in a carefree atmosphere at reasonable cost.

There are no restrictions on land holdings by foreigners. If private individuals want to buy crown land the buyer must see the land before negotiations start. Land prices range from $250 to $9,000 an acre, depending on location, and are beginning to inflate as interest in land development increases. A stamp tax on land transfers appears to be the only tax collected locally.

The average temperature in the islands is around 83° F. in the summer and 77° F. in winter. Constant trade winds temper the summer heat and average rainfall is only 27 inches a year. There are more than 100 miles of beautiful beaches, mostly deserted, and a spectacular coral reef runs almost continuously along the north and east coasts of the Caicos group, sheltering the beaches from the Atlantic waves. Sport fishing, particularly for crawfish and conch, is excellent.

Import duties average 20 per cent from Commonwealth sources, and 25 per cent on goods from elsewhere. Although qualifying for this duty advantage, Canadian suppliers must compete with Florida supply houses, who have a transportation advantage.

Prospects in the medium term are for substantial market and investment opportunity in a growing tourist sector and in the extensive improvement of facilities to support it. There are immediate prospects, however, for regular shipment of food products and building materials, but Canadian suppliers must be willing to consolidate merchants' orders and ship via Miami in container lots. For market information write to the Commercial Division, P.O. Box 1500, Kingston 10, Jamaica. General information, including tariffs, can be obtained from the Caribbean Division, Office of Area Relations, Department of Industry, Trade and Commerce, Ottawa.

Financing Caribbean Development

KENNETH DUNN, International Financing Branch

The university in Guyana, one of the Bank's member countries.

This is the second in a series of articles on the lending policies of regional development banks. The first, on the Inter-American Development Bank, was published in the November issue of *Canada Commerce.*

Canada, with the U.S. and Britain, has been a major supporter of the Caribbean Development Bank since its establishment in October 1969. The Bank which has its headquarters in Bridgetown, Barbados, was set up primarily to foster productive investment in agriculture, livestock, fisheries, manufacturing, mining, tourism and transportation. It will not lend money for the purchase of land or existing enterprises, nor will it finance retail or wholesale trade, commercial or private construction, urban development, schools (other than technical) or hospitals.

As of August 1972, the Bank had become involved in 33 projects amounting to almost $11 million.

The Bank's three sources of funds are its Ordinary Capital Resources, its Special Development Fund and the Canadian Agricultural Development Fund. The Ordinary Capital comes almost entirely from payments made by members on account of subscription obligations. The subscribed capital is $50 million, of which 50 per cent is callable and 50 per cent is made up of the paid-in portion. To accommodate future members, the authorized capital recently was doubled to $100 million. The Bank has yet to borrow on capital markets although it has the authority to do so, and only started in May to make disbursements on loans which eventually will yield income from interest.

Loans from the Bank's Ordinary Capital are made at rates varying from 7.25 per cent to 9 per cent and loans from the Special Development Fund and the Agricultural Development Fund are made at the concessional rates of 4 per cent.

The $20 million Special Fund is made up of $5 million each from Britain and Canada and $10 million line of credit from the U.S. At present, the U.S. is the only contributor to the CDB that is not a member of the institution. It is expected that in the near future the Fund will be substantially enlarged through contributions made by other non-members and future members. It is now obligatory for any state seeking membership to make an "appropriate contribution".

The Canadian Agricultural Development Fund — the Bank's second soft loan window — was established in June 1971. The agreement setting up the $2.5 million fund authorizes the Bank to make loans to agricultural credit institutions in less-developed member countries for relending to farmers.

Procurement under Ordinary Capital loans and Special Fund loans is open to all members and the U.S. Only the Canadian Agricultural Development Fund allows the borrower to procure goods and services from any country, regardless of whether or not it is affiliated with the Bank. On all procurement contracts put to tender, the borrowers' invitation to bid are transmitted to the local Canadian representatives. These representatives are the Trade Commissioner posts in Jamaica, Puerto Rico and Trinidad and Tobago.

The Bank wishes to foster widespread competition whenever feasible and prefers to have bidding on projects according to normal practice. Turnkey contracts are accepted only in special cases such as processing or manufacturing projects. In such cases one bidder provides all the engineering, equipment and construction as a package.

The lending policy of the Bank is that borrowing governments make a significant financial commitment to the cost of a project. The Bank will then lend, on Ordinary Capital loans, not more than 20 per cent of the cost of a project in the currency of the borrowing country. If the borrowing country borrows in currency other than its own, the Bank will lend not more than 60 per cent of the cost to its more developed regional members, and not more than 70 per cent of the cost to its less developed members. For all soft fund loans, or for projects involving both hard and soft funds, the Bank will cover not more than 80 per cent of the project cost.

Bank lending to the more developed members — Bahamas, Barbados, Guyana, Jamaica, and Trinidad and Tobago — is governed by two constraints. The first is that these countries are eligible only for loans from the Bank's ordinary capital resources. The second is that, as most of the more developed members have their own development banks which lend to their own private sector, the CDB lends only to their governments.

To date, the CDB has extended only two loans to these countries: one to the Bahamas for water supplies and the other to Jamaica for a new road forming part of a beach reclamation scheme at Montego Bay. These two loans account for half of the Bank's $3.7 million ordinary capital lending. The other half was made up of nine loans totalling $1.8 million to the less developed members, and it is expected that the bulk of future lending from Ordinary Capital Resources will be to this group.

As mentioned, the Bank's soft term loans are reserved for the less developed member countries — Antigua, British Honduras, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Montserrat, British Virgin Islands and the Turks and Caicos Islands. The loans, which carry a 4 per cent interest rate, are extended only to governments. Since the Bank's inception, about $7 million in soft loans have been extended to these islands. Of this amount, relending loans from the Agricultural Development Fund account for $1.9 million and Special Fund loans for $5.1 million.

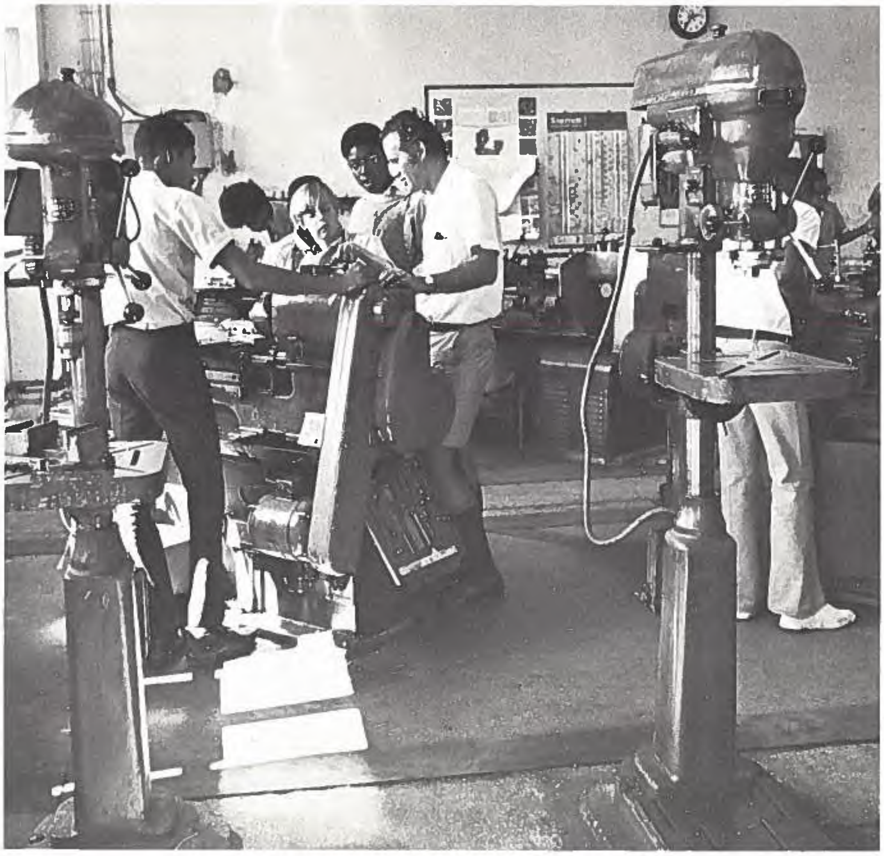
What type of project has the Bank financed? While the agricultural and industrial sectors have accounted for a greater number of loans, infrastructure has been the most important in terms of total dollar commitments. Approximately $5.5 million has been allocated to this sector out of the total of $10.6 million committed to date. Over the next few years the Bank will probably continue to concentrate on infrastructure projects.

Regarding the other two areas of prime Bank interest, the CDB has extended several loans to large-scale farmers and to enterpreneurs in the private sector from its Ordinary Capital Resources. The Bank also extends agricultural and industrial relending loans, from its soft term funds.

Agriculture — The three types of agricultural programs that the Bank operates in its less-developed member countries are farm improvement credits for small farmers, loans to large farmers and loans to governments for infrastructure.

The first of these is financed out of the Canadian Agricultural Development Fund through the extension of lines of credit to public development credit agencies for relending to small farmers. They are confined to farm improvement schemes involving new fixed capital or other long-term investment in improving land. Sizeable portions of these credits will be relent for the acquisition of farm machinery and equipment such as tractors, spraying equipment for crop protection, poultry cages, milking machines and harvesting equipment. Relending loans will also be made for the purchase of livestock and poultry. The borrowing credit agencies are also authorized by the CDB to extend loans for the acquisition of fishing boats and motors. As is usual in development banking, the borrowing agencies are required to match the CDB's line of credit with resources of their own.

Large farmers apply for improvement loans directly to the Bank



John Brait of Canada teaches a class in the Polytechnical Institute in Barbados. Technical schools can receive aid under Caribbean Development Bank.

and, to date, five such loans have been made. Two in Dominica and one in Grenada were negotiated for improving crop production and will be used for buying machinery and equipment such as trucks and two 65 horse-power tractor-trailers, irrigation equipment, road repair machines, hand tools, power saws and so on. Two other loans, one in Dominica to the H.D. Shillingford Estate and one in British Honduras to J.D. Coston, were recently negotiated for beef cattle production. The fund will be used to purchase breeding stock and to expand production facilities.

The Bank is prepared to lend — to governments — to finance reclamation, drainage, terracing, water conservation, provision of feeder roads and similar projects. Large areas of cultivatable land exist which the owners are unable or unwilling to cultivate. The Bank will not finance the purchase of such land but will lend money to governments for the preparation of such land for medium size farms. One such project, involving livestock production, has been undertaken in Antigua.

Manufacturing Industry — The Bank operates three programs in this sector that are analogous to the programs in the agricultural sector. These are relending loans to small industries, to large industrialists, and to governments for industrial estate. As with loans to small farmers, the loans to small industry come out of the Bank's soft loan resources — in this case the Special Development Fund. The loans are for businessmen who need facilities and equipment to set up or expand light manufacturing or service sector concerns. It is expected that the loans will be used to assist in the establishment of manufacturing firms in such lines as clothing, furniture and food processing factories, and to improve the tourist facilities of the region by financing small apartments, hotels, guest houses, restaurants and dry-cleaning establishments.

The relending agency is authorized to lend up to $25,000 without prior CDB approval but most of the loans are expected to be under $5,000. Relending loans have been extended to British Honduras, Dominica, Montserrat, St. Kitts-Nevis-Anguilla, St. Lucia and St. Vincent.

There have been two loans to larger industries for meat packing in St. Lucia and one for citrus packing in Dominica. The first, for $100,000, will be used to purchase equipment to produce vacuum packed beef and pork products, including boiler and refrigeration equipment, vacuum packing equipment and a generator. The second loan, for $425,000 will be used to cover the cost of packing machinery and a portion of the associated building and civil works. As in the case of the meat packing plant, a generator, costing some $14,000, will be required.

Bank policy in this area is still flexible and will be based upon the recently published report prepared by the Economist Intelligence Unit. This report surveys the industrial potential of British Honduras, Montserrat and the Associated States, and consumption within the region, as well as which industries would be viable on a larger scale for wider Carifta or overseas markets. The Bank also plans to appoint an industrial promotion officer to identify potential investors and put them in contact with the governments' development corporations.

In line with the Bank's third objective in the manufacturing sector loans have been made to the governments of British Honduras, Dominica, Montserrat, St. Kitts-Nevis-Anguilla and St. Vincent for the construction of small industrial estates. These loans are to be used to establish factory buildings and to provide the necessary facilities such as access roads, drainage, electricity, water and communications. The Bank's objective is twofold: to create and expand artisan and small scale industry, and to influence the location of firms. The Bank also plans to finance the building of industrial estates for larger industrial enterprises, but no commitments have yet been made.

Tourist Industry — To date two loans have been authorized, one for $375,000 in St. Lucia and one for $136,000 in St. Vincent. Most of these funds will be spent on the construction of facilities. Among the requirements will be air conditioners, water heaters, furniture, mechanical services and sanitation systems.

The Bank intends to help in the establishment of low-cost small hotels

Canadian cattle graze in Trinidad pastures. The Canadian Agricultural Development Fund helps agricultural projects in the Bank's less-developed member countries.

and for these there must be adequate public facilities. The Bank has been examining the possibility of developing sites with such facilities as cafeterias, swimming pools, tennis courts, night-clubs and boutiques, with a number of adjacent small hotels offering not much more than bed and breakfast.

As mentioned earlier, the CDB policy now is to lend funds for infrastruction projects connected only with agriculture, manufacturing, mining, tourism and transportation. As of August 1972, four infrastructure loans had been authorized, although others are being considered. The first of these authorized loans was for $1.5 million to Belize Electricity Board of Honduras to expand generation and transmission capacity. Over the next five years these funds will be used to purchase transformers and sub-stations. Approximately $500,000 will be spent on new plants and the rest on transmission lines.

The Bank has also authorized a $650,000 loan to the Bahamas to expand its water supply, a $2.2 million loan to Dominica for a deep-water port, and $1.2 million to Jamaica for road construction.

The loan to the Bahamas will be used to finance the purchase and installation of a waster heat boiler for a water desalination plant. Eventually the Bahamian Government is expected to acquire two additional waster heat boilers.

The deep-water port loan to Dominica will be financed jointly from the Bank's Special Fund ($1,850,000) and from the Ordinary Resources ($310,000). The major expenditure will be on the construction of a 1,000 ft. x 40 ft. wharf.

The loan to Jamacia will be used principally to construct and improve about 1.5 miles of highway and to improve sewerage and drainage in the Montego Bay area. The loan is part of the first stage of a 20-year scheme to expand the tourist facilities of the region. This initial stage is mainly to set up the necessary infrastructure and should cost about $7 million.

Technical Assistance — Nearly every project considered by the Bank requires considerable technical expertise. The CDB will employ outside consultants whenever it feels its own staff requires help in evaluating some facet of a project. Firms of consulting engineers and architects are most frequently needed for preliminary investigations and reports concerning feasibility, economic and financial justification, general layout and design of a project, over-all cost and time required for completion. However, they may also be called on for detailed engineering and architectural services or to prepare designs, specifications and contract documents and analyse bids. Firms may also be required to supervise the execution of projects, including start-up.

Sometimes the borrower may find it desirable to employ individual consultants as advisers where expertise not otherwise available is needed, or to employ consulting firms to help in the satisfactory implementation of a project. Although the borrower is responsible for the selection of the consultants, the Bank must be satisfied with the selection. The employment of regional firms, either alone or in combination with foreign firms, is encouraged, provided they are qualified.

Regional Integration — The CDB is required by charter to promote economic co-operation and integration among its regional members. But it can lend no more than 20 per cent of its resources for regional integration, unless authorized by the Board of Governors.

The Bank is investigating the viability of three possible projects. The first is the expansion of food production in the less developed islands; the second is assisting exports from the less developed members to Barbados and Trinidad and Tobago through improved shipping; the third, through the report of the Economist Intelligence Unit, is identifying industries that could be developed jointly by Bank members. No specific proposals on any of these projects have been drawn up, however.

For further information on these loans as well as for development trends in Bank lending, Canadian manufacturers and consultants should consult the International Financing Branch of the Department of Industry, Trade and Commerce in Ottawa. For those firms wishing to communicate directly with the Bank, its address is P.O. Box 408, Treasury Building, Bridgetown, Barbados, W.I. Cable: CARIBANK Barbados.

CDB Loans by Country, as of August 1972

Antigua	428,400
Medium-sized livestock farms	178,400
Farm improvement credit	250,000
Bahamas	650,000
Water supply, infrastructure	650,000
British Honduras	2,138,320
Farm improvement credit	250,000
Small industry credit	250,000
Industrial estate	60,000
Beef cattle project	50,000
Belize electricity, infrastructure	1,528,320
Dominica	3,450,547
Farm improvement credit	250,000
Agriculture	97,012
Agriculture	175,685
Citrus packing	427,350
H.D. Shillingford Estate livestock	80,000
Industrial estate	110,500
Small industry loan	150,000
Deep-water port, infrastructure	2,160,000
Grenada	309,975
Agriculture	59,975
Farm improvement credit	250,000
Jamaica	1,202,400
Beach reclamation road, infrastructure	1,202,400
Montserrat	200,000
Small industry loans & industrial estate	100,000
Farm improvement credit	100,000
St. Kitts-Nevis-Anguilla	456,135
Small industry loans	125,000
Industrial estate	81,135
Farm improvement credit	250,000
St. Lucia	915,000
Cariblue hotel	375,000
Small industry loans	200,000
Industrial estate	90,000
Farm improvement credit	250,000
St. Vincent	819,000
Hotel	136,000
Meat packing	100,000
Small industry loans	250,000
Industrial estate	83,000
Farm improvement credit	250,000

NOTE: Disbursement has started on only three of these loans.

Inching out the Yards

Metric Commission studies conversion problems

ROBERT McDOUGALL, Canada Commerce

Milk — 25¢ per litre	
Bread — 19¢ a kilogram	
Tomatoes — 0.5¢ per gram	
Steak — $2.19 per kilogram	
Aluminium foil, 30-metre roll — 49¢	

So might read a supermarket ad of the 1980s. The terms of measurement used may be unfamiliar now but by the turn of the decade they should be household words.

Canada is going metric.

Like the horse and buggy, the inch-pound or Imperial system of measurement is doomed. In fact, some manufacturing sectors, such as the photographic and pharmaceutical industries have already gone metric. Half our hospitals now operate under the metric system and our athletes compete in metric-measured events. New pools are constructed to Olympic standards. Skis are sold by centimetre lengths. And so on.

It is evident that Canada as a global trader must use the metric system if it is to survive competitively and broaden its exports. Over the years, an increasing number of trading nations have switched to the metric system and today more than nine out of 10 countries have officially adopted its use. Our neighbor and largest trading partner, the United States, is seriously considering going metric and this has provided further impetus to Canada adopting the system. Additional fuel has been poured on the metric fires by Britain's recent entry into the metric family.

Competition for world markets is keen. The quality, appearance and price of a product are important but units of measurement can also influence a buyer. A Canadian manufacturer stands a better chance of selling abroad if products are offered in the same weight and measures as are used by the potential customer — especially if competitors are doing this.

For Canada, then, conversion will mean long-term benefits — increased productivity and expanded export trade — in return for short-term difficulties: the cost of changing over machinery and equipment, keeping double inventories of parts for a while and teaching employees the metric system.

Actually, use of the metric system has been optional in Canada for a century. Its use is permitted under the Weights and Measures Act of 1873, but until recently has been confined to the scientific sector.

The slow journey toward conversion in Canada began officially in 1966 when an Interdepartmental Committee on the International System of Units (SI) was set up to evaluate the possibilities of using the system. Four years later, the Committee published a White Paper in which it recommended the establishment of a commission to develop an over-all plan for metric conversion in Canada and to co-ordinate its implementation.

The Metric Commission as it exists now was officially launched in June 1971. One month later, S. M. Gossage was appointed full-time chairman and by April 1972 the Commission had grown to 16 members.

Canada does not intend to plunge into the metric system. The change will be voluntary and on a gradual and planned basis. The conversion program is being developed with the co-operation and collaboration of all sectors of the economy. No completion date has yet been set but conversion is expected to be fully implemented within 10 years. The Commission considers this a reasonable span and one that should permit changeover at a minimum cost to the nation.

Conversion will likely take place

in stages, phased to suit individual economic sectors, following a national timetable. Preparation of this schedule is monumental and the Commission has sought help from some 200 national organizations, representing all sectors of the economy. Each was sent a questionnaire, asking the association for its views, requirements and suggestions. Already, a majority have returned the survey sheets and have indicated their willingness to cooperate.

Information gleaned from the questionnaires will be of great value to the Commission in producing a nationwide timetable. It will also help to pinpoint potential problem areas and in resolving conflicts brought about by conversion.

The Commission's staff under Paul Boire, the executive director, now numbers 22 but may soon double in size as more are recruited to look after the following areas: research and planning, administration, information and education (all levels) and conversion programs for each sector of the economy. In carrying out these responsibilities, the staff is also charged with implementing the decisions taken by the Commission at its meetings — it met seven times in 1972.

In the food industry, there are basically three types of conversion that must be considered. The first entails merely substituting metric measurement for the non-metric ones now in use. For example, a quart of milk might be relabelled and sold as 1.14 litres.

This type of conversion, although simple, might be misunderstood by the consumer. One way to get around it would be to resize the container to hold a full litre. Or the whole range of package sizes could be altered. Any decision on conversion, however, will be a marketing consideration that will have to be made for many individual products.

In Britain, they have established package sizes of 50 gm., 125, 250, 375, 750, and 1,000 gm. (1 kilogram). In the U.S., however, there is a feeling that the American housewife would adjust more readily to an increase of one-tenth of a kilogram in package size because it would be easier to compare prices and unit sizes in the supermarket.

Before the metric system was adopted in Britain there was much concern about the problems of change-over. Sales people were given good training and the public was given clear information when the change-over occurred, prices in the shops were closely supervised to ensure that changes to metric quantities were not used to conceal unfair increases.

The impact of converting food processing plants and many other factories to accommodate the metric system will lie largely in the expense of resizing package equipment. Pressure and temperature instruments will require metric unit dials. Mechanics will need to get different tools. Scales and other equipment must be modified to provide kilogram or litre measurements. Maintenance machine shops will require modification of machine tools.

In education, too, there will be certain inconveniences. For a time, students will be required to master two systems of weights and measures simultaneously. In the long run, however, much time will be saved. Most students learn the metric system easily because everything rests on one system of measurement — adding, substracting, dividing or multiplying by powers of 10.

There are several disadvantages in the existing system of measurement in Canada and the United States. The U.S. gallon, for instance, is slightly smaller than the Imperial gallon. The units for measuring length are not divisible on a decimal basis. A pound troy, used in Canada to weigh gold, equals 12 ounces and the customary avoirdupois pound equals 16 ounces. A short ton is 2,000 pounds, but a long ton equals 2,240 pounds. There are also two series of units to measure capacity, one for dry goods and one for liquids.

Countries using the metric system, on the other hand, can carry out commercial dealings in a simplified way. By using the standard metre and kilogram, buyer and seller each know what the other is talking about.

A side benefit of conversion will undoubtedly be the boosting of the morale of girl-watchers. Just imagine a shapely young miss with measurements of 91-61-91 . . . she's inevitable!

New Zealand to go Metric

J.M. MABBETT, Commercial Officer, Wellington.

New Zealand is experiencing what might be considered a minor industrial revolution as it switches from the Imperial to the metric system. Several years ago, the medical profession made the first concrete move towards the new system when it started to prescribe in dosages of millilitres. Later, meteorologists began to record and publish temperatures in degrees celsius and rainfall in millimeters, a change the average New Zealander still finds difficulty adapting to.

The next step will be to introduce the litre bottle for household milk deliveries. All milk treatment plants will use both litre and pint bottles for deliveries until February 1974. After that, deliveries will be made only by the litre, and prices, from producer to consumer, will be fixed in cents per litre. By April 1975, all road and distance signs will be in kilometres and road speed in kilometres per hour. Motorists will inflate their tires in kilopascals instead of pounds per square inch and will buy gasoline by the litre rather than by the gallon.

While these comparatively easy conversions are taking place, industry and construction will be introducing metric measurements for design and buying purposes.

Canadian exporters can anticipate inquiries and orders from New Zealand with increasing emphasis on metric measurements until the Imperial system is eliminated. Only recently an inquiry to a Canadian exporter for a price on a product measured in millimeters was referred back by the exporter for the measurements to be expressed in inches. If there is a lesson in this, it is surely that Canadian manufacturers should be prepared from now on to price in metric equivalents. According to the timetable, they will have to after 1977, when requirement for most imports will be measured only in the metric system.

Julius Nathanson, representing Fashion Buying Service of New York, took a good look at the leathers and suedes from Montreal Leather — and liked what he saw. "We've had very good luck with Canadian merchandise," he said. "It started slowly but I'd say it has now become a factor in the U.S. market."

on the New York Scene

ANNA ARMSTRONG, Editor, *Canada Courier*

The Canadian fashion industry launched its series of solo apparel shows in New York City in April, 1968. It cannot be coincidence that Canadian apparel exports to the U.S. have nearly quadrupled in that time — to $62.4 million in 1971.

Since this is a particularly good example of direct export sales resulting from Government/Industry participation in trade fairs abroad, the following on-the-scene story may interest readers outside the garment industry as well as those in it. The background to this show is similar to other departmental trade fair projects, whether they concern electronic components, packaging machinery or what have you. Let's see how it works in this case . . .

The scene — New York. The bustle of a busy hotel at 34th and Broadway in the heart of the garment district. In the lobby, a colorful sign advising "trade only" directs visitors to the seventh floor where "Canada is 'in' Fashion" — the familiar slogan referring to the Solo Women's Apparel Show featuring Canadian manufacturers now in its fifth year in New York.

This is the Sunday evening before show opening and we make our way to the Department's hospitality room where the project team from Ottawa and Commercial staff of the Canadian Consulate General in New York have gathered to talk with exhibitors.

D. S. Armstrong, Deputy Consul General (Commercial), makes introductions and each of the project team has something to say. John Hoffman, New York office, outlines the preparatory work he has done to attract buyers. Ben Dworkin, of the Department's Publicity Branch in Ottawa, talks about the available promotional material (the poster proves controversial — some like it, some don't) and passes around copies of an excellent article on the Canadian fashion industry which appeared earlier in *Business Week*. He outlines the publicity plans for the show locally and mentions that members of the local media will be dropping in. Monique Archambault, line branch officer from the Department's Apparel and Textile Branch and an attractive key member of the project team, talks easily to the exhibitors about show arrangements and

We buy Canadian because there's a real feeling for fashion . . .

Quality is what we're after . . .

And they are honourable people to deal with . . . .

The prestigious Bloomingdale's New York store sent along a bevy of buyers to the Canadian show. Miss Lee Fabris left and Mrs. Estelle Adler confessed that when they first discovered Phanto Knits Bodywear Fashions of Toronto, they fought over whether the garments would be displayed in Lingerie or Hosiery. They appear to have resolved the matter.

winds up, only half jocularly, saying that there will be a fine of $1 imposed on those exhibitors who do not return coffee cups to the hospitality room which is, after all, supposedly for the benefit of buyers.

One point everyone makes to the exhibitors — don't take it for granted that all the work has been done for you. Help yourselves by getting on the phone and letting all your contacts know you are here.

Monday morning at the show's reception desk on the seventh floor are two smiling, attractive girls who ask each visitor to "register, please." Cards are filled in and identification tags typed. They might read: JAKE TARICA, FASHION BAR, DENVER, COL., — BUYER; or MARIE GRAHAM, OHRBACH'S, LOS ANGELES, CALIF. — BUYER; or ROGER EULAN, BLOOMINGDALE'S, NEW YORK — BUYER. They come from all over the U.S.

The trickle is slow at the desk at first but as the morning wears on, the girls are kept busy.

There is more to registration than making sure everyone on the floor has business there. Each day a list is typed up from the registration cards which shows the name of buyer, company, address and the type of merchandise in which they are interested. This provides a mine of information to the Department's project team for future use. Each day, too, manufacturers report orders written that day and estimate projected business.

Towards lunch time, we're in the hospitality room having a cup of coffee with one of the buyers. Ben Dworkin comes bustling in (Ben never seems to walk at a normal pace). He has with him a reporter from *Women's Wear Daily* — that's the "bible" of the garment industry in the U.S. They settle down for a long interview. In comes an exhibitor with a sign in his hand. "Where's the man who looks after signs," he asks irately. "My sign fell down."

"So get some tape and stick it up," mutters my buyer quietly as the exhibitor disappears again. (We notice

Can you imagine? Fighting over which department would carry these clothes?

Everything's fine now.

Now when is your earliest delivery date? Miss Fabris and Susan Karol of Phanto Knits work out a deal.

his sign is in place shortly after.)

Jake Tarica is from Fashion Bar, a women's wear specialty store in Denver. He was one of the first buyers on the floor and we met him in the showroom of Opera Leather Garment, Montreal. He had other business in New York the previous week but stayed over the weekend especially to attend the show, he explains.

Mr. Tarica started to buy five or six years ago when he was with a Seattle store. He dealt mainly with Vancouver and Winnipeg companies and found them "well priced." Since he has been buying for Fashion Bar (that's a 25-store chain including 14 women's wear stores which specialize in sportswear and coats), his Canadian buying has settled down to a nucleus of four or five companies. He has tried many more Canadian companies but became discouraged because of slow delivery.

"I think there are Canadian manufacturers who do not realize the importance of good service on a small order. In many cases the buyer tries a test run. If co-operation is not good initially on a small order, the potential large orders will simply not develop."

"There's a different look about Canadian clothes, however," he continues, "and my stores like the idea that there are no on-the-road salesmen to spoil the exclusivity."

The "Imported from Canada" label has prestige value according to Mr. Tarica and other buyers we spoke to at the show and it is sometimes used in their advertising.

As the day wears on it is noticeable that the busy rooms remain busy — usually with a two-man exhibiting team where one person is on the phone continually and another is displaying his wares. The "slow" rooms remain slow. "It's easy to see who does his homework," remarks John Hoffman.

We decide to talk with as many buyers as possible so that we can take back to Ottawa some impressions that might be useful to Canadian manufacturers of all types who are looking to the U.S. market. But it isn't easy. For instance, Monique Archambault tells us that there is a "really big" buyer on the floor we should talk to. We find her. She is polite but firm. Company policy will not allow her to talk to anyone representing any press anywhere without clearance from on high. This happens many times during our two days at the show.

One of these "don't quote me" buyers is very ready to get a large gripe off his chest, though. He complains that in trying to return damaged goods to Canadian manufacturers recently he had been landed with $200 in brokerage fees. On my next visit to the hospitality room (manned at all times by one of the departmental team) we ask about this.

"Sure, that could happen," we are told. "But if the buyer knows the correct procedure, the forms to be filled, and if the damaged goods being returned are properly labelled, Canadian Customs will not hold them up, and there shouldn't have to be extensive brokerage fees. Perhaps this particular buyer didn't know either that damaged goods have to be returned within 10 days. The manufacturers should instruct their buyers about these things."

We are just about to call it a day when Jimmy's of Brooklyn, N.Y., happens along in the forms of J. and Gloria Jacobs. They are apparently delighted with what they are seeing — and buying — in the rooms of Montreal Leather. "Why are we buying Canadian garments? We've got good trade, he's got good jackets. Good plus good means sales," explains J.

"This stuff is dynamite," adds Gloria. "Do you know that last September in New York when the temperature was hot, hot, we were selling Canadian fur-trimmed coats?"

"I wish we could be so kind about all the Canadian companies we've tried," adds J. "We've gone through the experience several times of ordering one color — got another; ordering one size — got another. No way for that. Now we just zoom into the companies we know we can rely on. And another thing. It's a mistake for a Canadian garment company to establish down here. The attraction to our customers is that the Canadian look is different. You get companies opening up for business in New York or anywhere else in the States and you're gonna ruin the exclusivity."

Word gets around that there is a Bloomingdale's buyer on the floor and there are many friendly "Hi, there, Roger" calls from the exhibitors. Bloomingdale's is a most prestigious New York department store. As Roger Eulau, buyer of furs and leathers, tells us, "At our store, if it's good looking, fits well and is of high quality — it sells. Cost is no object. It's an advantage that goods from Canada arrive f.o.b. New York, but even if that convenience weren't there, if the garments were sensational, we'd buy them anyway. But then Bloomingdale's is a unique operation."

We wish ruefully that we could afford to shop at Bloomingdale's — and leave to search out an inexpensive meal to accompany New York's 60-cent-a-cup coffee.

Next day there is a fierce rainstorm sweeping the city. Clusters of exhibitors are in the hallway saying sadly, "Nobody in his right mind is going to go anywhere today unless he has to." Surprisingly, rain-soaked buyers start to arrive and business picks up. "One good thing," grins a manufacturer, "once they're here, they're going to hate to leave!"

Our photographer arrives — and our business of interviewing all but disappears. Some manufacturers aren't too keen to have their garments photographed. "Too easy for someone to copy the lines," they said. And buyers, catching a glimpse of the camera, suddenly are too rushed to talk.

"No pictures, no interviews, no names, please," says a buyer for a large chain, "but I'd like to be helpful — and honest. We don't buy Canadian because we like Canada. We're only going to be bothered bringing stuff in if it's something that cannot be bought in the U.S. And your manufacturers have to look at the U.S. market in a competitive way. So your styling and workmanship are good — lots of times Canada is first on styling — but if the price isn't right. . ."

There aren't too many "cost-is-no-object" Bloomingdale's, we think. This is a hard-nosed business in a hard-nosed world. There is little tolerance for sloppy delivery or poor service and in most cases none at all for over-pricing. Let a U.S. buyer down once, and there won't be any repeat orders. And that, we gather, applies whatever you're selling.

Canada Courier is the internationally circulated trade promotion newspaper of the Department of Industry, Trade and Commerce.

Detroit Development Could Mean Sales

JOANNE KIRBY, Commercial Officer, Detroit

Detroit is changing. A $400 million development along the riverfront will radically alter the Motor City's skyline and have a tremendous impact on the downtown area.

The giant development opens the door to millions of dollars in contracts and presents marketing opportunities for many kinds of building materials.

The first phase of the 32-acre development consists of five towers. The tallest, a 70-storey hotel to be managed by Western International Hotels, will be a landmark visible for miles, and by far Michigan's tallest building. Restaurants, shops and about 1,500 guest rooms will be augmented by banquet facilities for up to 2,000 people.

Four 39-storey office towers — each with 600,000 square feet of space for lease — will round out phase one. The gift wrapping will include roofed gardens, pedestrain malls, some 200,000 square feet of retail space for shops, boutiques and services, and parking for 1,600 cars.

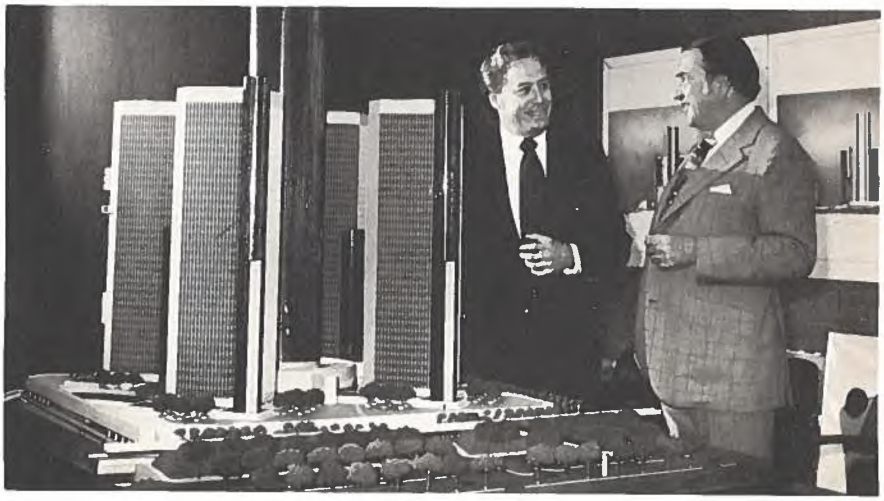
Construction of other office buildings, nearly 1,000 apartments and condominiums and service and support structure, is planned for two subsequent phases. Demolition on the riverfront site has begun and construction is to start in January.

There will be sales opportunities for office furnishings, parking lot systems and restaurant equipment, to name only a few of the possibilities created by the development.

All purchasing will be done through the Ford Development Corporation, One Parklane Boulevard, Dearborn, Michigan 48121. Purchasing policies are liberal and can recommend local trade channels to ensure that your merchandise will be considered.

John Portman, the architect-developer responsible for Peachtree Centre and the Hyatt Regency hotel in Atlanta, is the designer of the Detroit project.

If your firm is interested in these marketing possibilities, contact: The Canadian Consulate, 1920 First Federal Building, 1001 Woodward Avenue, Detroit, Michigan 48226.



John Portman, left, architect for the riverfront development, shows Henry Ford II, chairman of Ford Motor Company, a model of the first phase.

Trade Fairs 1973

The November issue of Canada Commerce contained a list of international trade fairs where the Department of Industry, Trade and Commerce planned to sponsor a consolidated Canadian exhibit.

There are many other trade fairs abroad, however, that are important to Canadian firms. A partial list of upcoming fairs is published here, mostly from material provided by the Trade Commissioner offices abroad.

The department has a program whereby it helps Canadian companies cover the costs of their individual participation in international trade shows. Details of this cost sharing arrangement can be obtained from the Fairs and Missions Branch, Department of Industry, Trade and Commerce, Ottawa, K1A 0H5.

Updated lists of shows will be published periodically.

Aerospace
International Aerospace Show, Sao Paulo, September 14–23.

Agriculture
Agriculture Technique Trade Fair, Sao Paulo, July 13–22.

Automatic and Labor Saving Machines
Automatic and Labor Saving Machines Exhibition, Tokyo, March 30–April 4.

Boats
Boats, Ships, Marines, Melbourne, July 6–14.

Books
Frankfurt Book Fair, Frankfurt, Oct. 11–16.

Books & Periodicals
Melbourne, March 3–12.

Business
Business Show, Tokyo, May 5.

Children
Children's Show, Sao Paulo, October 7–22.

Electronics
Japan Electronics Show, Osaka, Oct. 1–7.

Environmental, Water, Security
Environmental, Water, Security, Sydney, Feb. 21–25.

Food
Meat Industries Supply Exhibition, Tokyo, March 3.

International Food Trade Fair, Sao Paulo, July 13–22.

International Exhibition of Fine Foods & Provisions, Cologne, Sept. 22–27.

Foodpack International '73, London, Oct. 23–26.

Food, Catering, Alcoholic Beverages, Machinery and Vending, Melbourne, August 13–15.

Food & Confectionery
National Fancy Food and Confection Show, Chicago, July.

Food & Food Equipment
2nd International Food Congress Fair, Copenhagen, Oct. 12–21.

Eighth Foodpact International, London, Oct. 23–26.

Fur
25th International Fur Fair, Frankfurt, April 27 to May 1.

Graphic Arts, Paper & Cellulose
International Graphic Arts, Paper & Cellulose Trade Fair, Sao Paulo, March 19–25.

Heating and Ventilating
Heating and Ventilating, Sydney, May 22–25.

Hotel/Restaurant Equipment, Supplies & Food
Caribbean Hotel Assoc. Annual Convention & Exh., June.

IGAFA International Exhibition, Munich, Nov. 8–14.

International Trade Fair
Tokyo International Trade Fair, Tokyo, April 20 – May 7.

Motor Show
International Motor Show, Frankfurt, Sept. 13–23.

Tokyo Motor Show, Tokyo, October to November.

Packaging
International Packaging Trade Fair, Sao Paulo, March 19–25.

Textiles
National Textile Trade Fair, Sao Paulo, June 10–18.

Sanitation, Heating, Air Conditioning
International Exhibition Sanitation–Heating–Air-Conditioning, March 28 to April.

Sweets/Biscuits
3rd International Sweets & Biscuit Fair, Cologne, Feb. 6–10.

Wood Working Machinery and Equipment
Nagoya Wood-Working Machinery & Equipment Fair, Nagoya-City, Japan, Nov. 18–25.

Foreign Tariffs and Trade Regulations

Argentina

The Argentine Government has announced a new import system, in force from October 19, 1972. It basically consists of four lists:

List 1 is made up of raw materials, essential goods and products that cannot be replaced by local industry. Payments for import transactions for products in this list will be affected through the commercial and financial markets. Under current regulations dollars for imports must be obtained at a ratio of 74 per cent on the financial market and 26 per cent on the commercial market.

The commercial market exchange rate is fixed at 5.00 pesos to the U.S. dollar while on the fluctuating financial market the peso was quoted at 9.95 to the U.S. dollar.

List 2 includes intermediary products, capital goods and their spare parts. Payments for these imports will be made totally at the financial rate.

List 3 covers a number of products which will be banned for a period of 90 days, during which time, the authorities will determine whether or not their importation is essential. The products in this list will then be transferred either to list 2 or 4.

List 4 extends for a further 180 days the temporary import ban imposed by Decree Law Number 2118 on luxury goods and products considered as non-essential.

With regard to goods in Lists 1 and 2 the importers must complete a form stating their import requirements. Payments for importations by the Central Bank will be subject to presentation of the previously approved form by the Ministry of Commerce.

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

Australia

Australia has announced that from February 1, 1973 it is eliminating most of the preferential aspects of its by-law system.

By-law entry provides for the suspension of normal tariffs on goods "the produce or manufacture of Australia is not reasonably available".

In the past if the goods were made in the United Kingdom then the normal duty was suspended and a British preferential rate of zero was applied (for Canada as well as UK) and a most-favoured-nation rate of 7½ per cent was applied.

Elimination of the British preferential aspects of the by-law system means that most goods entitled to by-law entry will, from February 1, be admitted free.

While Canadian exports entering under by-law will not face new or increased tariffs, they will in most cases lose the 7½ per cent margin that they now enjoy over M.F.N. suppliers.

Brazil

According to decree 71267 of October 25, 1972 the Office of the General Staff of the Armed Forces (EMFA) becomes responsible for authorizing aerial surveys in Brazil. All organizations which collect data by means of aerial surveys flown in Brazil or which interpret such data must receive prior permission from EMFA. EMFA may also issue regulations concerning all aspects of aerial surveys including establishing rules for limiting the dissemination of information obtained from such surveys.

The decree permits foreign organizations to conduct aerial surveys when, in the judgement of the President of Brazil such participation is in the public interest or when foreign participation is provided for in an international agreement to which Brazil is a signatory. All applications for foreign participation are to be studied by EMFA.

Brazil

The following customs tariff amendments have been announced by the Brazilian Customs Policy Council:

Resolution 1392 reduces the import duty from 30 per cent to 15 per cent for a period of one year from August 30, 1972 on sodium formate (tariff item 29.14.13.16).

Resolution 1403 exempts from duty the following products when imported for use exclusively by the agricultural and livestock sectors: OXINOTIOFOS, BATESTAN HOE 2.910 (tariff item 38.11.02.00), CUPROFIX M, CUPROFIX Z and CUPROFIX BORDALES (tariff item 38.11.03.00).

Resolution 1404 reduces the import duty from 55 per cent to 10 per cent for a period of one year from September 20, 1972; on prepared paste based on aluminum powder and solvent for use in the manufacture of ink (tariff item 32.09.02.05). The importer must prove to CACEX that he has purchased from national producers an amount of at least 230 per cent of the quantity he wishes to import.

Resolution 1405 extends until August 4, 1973 the exemption from duty established by Decree 1048 on vinyl acetate (tariff item 29.14.03.20). The importer must prove to CACEX that he has purchased a quality of at least 100 tons of national production for 112 tons of similar importation.

Resolution 1407 of September 20, 1972 reduces the import duty from 55 per cent to 20 per cent on drill bits of vanadium steel for dentists (tariff item 90.17.25.99).

Resolution 1408 extends for 180 days from September 20, 1972 the reduction in duty from 120 per cent to 10 per cent established by resolution 1215 in force from January 28, 1972 on tempered glass demijohns with a capacity of 20 litres, white or slightly blue, transparent, threaded neck, for transportation and conditioning of natural mineral water (tariff item 70.10.99.00).

Resolution 1409 in force September 20, 1972 reduces the duty from 85 per cent to 10 per cent on the following products: non-sensitized polyester film type 92G of a thickness of 0.0233 mm for typographic proofs and type .700G of a thickness of 0.1778 mm for photographic mounts, (tariff item 39.01.04.99); laminated vinylic plastic with a coating of adhesive for fixing of pigmented paper on a cylinder of rotogravure engraving (tariff item 39.02.04.99); printers' blankets of three or four sheets of fabric coated with synthetic rubber for use in offset printing machinery (tariff item 40.08.99.00).

Resolution 1410 exempts from duty a quota of 10,000 tons of concentrated lead mineral with a 70 per cent lead content for a period of one year from September 9, 1972 (tariff item 26.01.05.99).

Resolution 1411 extends until October 6, 1973 the 10 per cent rate of duty on chloroform (trichloromethane) (tariff item 29.02.17.00) and carbon tetrachloride (tetrachloromethane) (tariff item 29.02.27.00).

Resolution 1412 in force from October 5, 1972 exempts from duty the following products when imported for use exclusively in agricultural and livestock activities: NITROVIN TECNICO (tariff item 29.26.12.00); Bittin-S and FURAMIZOL (item 29.31.99.00); MONESSINA SODICA (item 29.45.99.00); TILOSINA BASE (item 30.03.43.00).

Resolution 1432 of September 18, 1972 exempts from duty for a period of 2 years data processing equipment (tariff item 84.53.00.00) as specified in the text of the resolution and under the terms and conditions mentioned in it.

Cuba

The Trade Commissioner in Havana has received advice from the Cuban Ministry of Foreign Trade regarding the Carnet System for taking commercial samples into Cuba.

While Cuba is a signatory to the ATA Carnet Convention, Canadian businessmen should continue to adhere to the current practice for clearing samples because Cuban Customs officials are not fully familiar with the new procedure. Until this situation is corrected, foreign business travellers bringing samples as accompanied baggage will probably experience less delays and inconvenience by providing full particulars of such samples to the Montreal office of the Cuban Trade Commissioner and to the Commercial Division, Canadian Embassy, Havana, prior to departure. If possible, samples should be packaged separately and addressed to the Havana head office of the foreign trade company responsible for import of this class of merchandise. Upon arrival of the samples in Havana the local officers of the import company will facilitate customs clearance. Canadian exporters wishing to send unaccompanied samples should deliver these to the Montreal office of the Cuban Trade Commissioner for forwarding.

Jamaica

The following products were added on November 17, 1972 to the list of imports requiring specific import licences: seed meal; food wastes and animal feeds including cat and dog foods; fish preparations and fish products; dried fruits; boats; sewing machines; fresh, chilled and frozen meats; smoked, dried or salted beef and veal; other meats, meat preparations and meat extracts; spices; glucose and other sugars; wallets, purses and pocketbooks; edible nuts other than types used for the extracting of oil; dried lentils and other legumes; Plastic manufactures; gin; wines; unenumerated spirits including liqueurs; condiments; butter; natural cheeses; portable electric equipment and appliances; fruits, fruit peels and parts of plants drained, glaced or crystalized; other food preparations; sand; bulbs, arc lamps and tubes for electric lighting (complete); watches and clocks; race horses; and aircraft.

South Africa

The Minister of Finance has announced the South African Import Control Policy for 1973 which will take effect from January 1, 1973.

The framework remains basically unchanged from 1972, however, there have been some relaxations.

A. Paragraph 1 of the regulations, listing the items allowed to be imported without permit, has been increased by some 122 items affecting a wide range of products mainly of the manufactured consumer category. The items which could be of interest to Canadian exporters include: blotting paper; tracing paper; wallpaper; computer tape; boxes, bags and other packing containers of paper or paperboard; ledger cards; aircraft engines; marine engines; outboard engines; hydraulic engines; water turbines; gas turbines and locomotives.

B. Commercial motor vehicles and spares are transferred from Paragraph 3 covering imports subject to quota restrictions to Paragraph 2 for which import permits are readily issued to meet the full reasonable requirements of importers.

C. Individual importers are to receive initial issue of import licenses equal to 80 per cent of their 1972 licenses for the following: general merchandise; clothing; textile piece goods imported by merchants; alcoholic beverages; confectionery pharmaceutical products and requirements in finished form; fungicides, insecticides and pesticides in finished form, and paper and paperboard imported by merchants.

As licenses for these items have been restricted during 1972, this represents a continuation of restrictions. However, since a number of items have been transferred from the quota list to the free list, indications are that there will be less pressure on licenses. Also, the wording suggests that further license allocations during 1973 may be forthcoming.

The South African Government has previously stated their intention of removing import controls on all items, except those for which local manufacturers request protection before the end of 1972.

Further information on this subject is available from the Africa Division, Office of Area Relations, Department of Industry, Trade and Commerce, Ottawa.

Trade Commissioners on Tour

In Territory

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

Brazil

J. E. Graham, Assistant Trade Commissioner, Sao Paulo, will visit Porto Alegre in the State of Rio Grande, Brazil, from March 12 to 16. H. Kock, Commercial Officer, Sao Paulo, will visit Joinville, Jaraguax do Sul, Blumenau in the State of Santa Catarina, March 19 to 25.

Canada

J. M. Mabbett, Commercial Officer, Wellington, is making an orientation tour of Canada from February 2 to March 16 and he will be visiting many cities. His schedule can be obtained from the Trade Commissioner Service, Department of Industry, Trade and Commerce, Ottawa K1A 0H5.

Tasmania

L. B. Stryker, Commercial Officer, will be touring Tasmania February 19 to 27.

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 OH5.

Aluminum Building Components
Australian company offers for manufacture under license in Canada its line of aluminum building components. These products consist of aluminum framed sliding windows and doors, adjustable sashless windows, packaged window fittings, ready-to-assemble mirror frames, ball bearing drawer slide sets, shower screen set, roller ball bearing sliding door track, pyramid tracks with aluminum head guide, etc. Company also offers a license to manufacture a showcase made of aluminum extrusions. Literature available. **Item 2766**

Panel-Linking System
Austrian firm offers under license the Canadian manufacturing rights for its system designed to link panels of 1/16 inch to 3/4 inch thickness at angles ranging from 90 to 180 degrees. The panel connectors are constructed of brushed aluminum or dull-black plastic. The jaws are equipped with two rubber inserts. This linking system is claimed to be of unparelleled versatility insuring quick erection and dismantling of trade fair and exhibition stands. There is no damage to the panels, and thus the structures and the connectors can be reused indefinitely. Literature available. **Item 2767**

Mobile Storage Racks
Swiss firm offers under license the Canadian manufacturing rights to its mobile bases for storage and archive racks. Any type of rack can be built onto these solid steel bases which are designed to roll easily on rails which are either attached to the floor or set into it. Depending on the total weight involved, the bases are either moved by hand, by hand crank, or by a pushbutton-activated pneumatic or electric drive. The firm claims that the use of these mobile racks nearly doubles existing storage capacity. Literature available.
Item 2768

Teeth for Mechanical Shovels
French company is offering the rights for manufacturing under license in Canada its bucket teeth for mechanical and hydraulic shovels, loaders and draglines. The teeth are comprised of two parts — adaptors and points — which are held in position by a system of pins resting on rubber blocks. The point is made of special steel which is exceptionally resistant to shocks and abrasion. Due to its special shape, it retains its ability to penetrate until completely worn away. Literature available. **Item 2769**

Mining Excavator
Canadian inventor offers under license the Canadian manufacturing rights for his patented mining excavator. This device employs the chipping and scooping action of a powerful pneumatic hammer to dislodge and scoop the material from the face of the workings. The material is placed on a gathering table and then onto a conveyor specially designed for this job. The muck is discharged at the rear end of the conveyor into shuttle cars or other carrying vehicles. This mining excavator can be used for underground tunneling and mine digging, open pit mining, trenching, etc. Advantages claimed over comparable equipment include faster loading and lower cost. Literature available. **Item 2770**

All Terrain Vehicle
Canadian inventor is offering the rights for manufacturing under license in Canada his all-terrain vehicle. The machine weighs 550 lbs. and has a 4 passenger seating capacity, steering on both front and back axles, and two gears, one forward, one reverse. According to the inventor, this machine provides improved steering and maneuverability for operation on all kinds of terrain. In addition, it incorporates independent wheel suspensions which permit the vehicle to drive more easily over rocks and other obstacles. Literature available. **Item 2771**

Serving Trays
Swiss firm offers for manufacture license in Canada its series of laminated plastic serving trays. Two types of trays are offered — slip-proof trays, specially suited for hotels, canteens and hospitals which can be washed in automatic dishwashers, and decorated trays with antique engravings. Literature available. **Item 2772**

Chemical Treatment of Textiles
Italian firm is seeking a licensing arrangement with a Canadian firm covering its process for the chemical treatment of textiles. This process is claimed to apply unshrinkability to textile products in any processing stage such as tops, yarn or fabrics. Special features of the process are its ability to provide various degrees of white and also its ability to provide a product which can be readily dyed uniformly in bright colours. While the unshrinkability factor is an important feature it is also possible by this process to get a reverse effect such as fulling, etc. Literature available. **Item 2773**

Fluorescent-Tube Coating
Swiss company is offering the rights to manufacture under license in Canada its fluorescent-tube coating which is designed to protect the eyes and to prevent the deterioration and discolouring of materials frequently exposed to artificial light. A single application is guaranteed to last the life of the tube. The company states that the slight lessening of light occasioned by using tubes treated in this way is offset by an increase in the capacity of these tubes. Literature available. **Item 2774**

Transformer Set for Electric Locomotives
Czechoslovakian state trading agency offers for manufacture under license in Canada its tap changing transformer set for 47E type single-phase electric locomotives. The set is bell-shaped, which is considered to be the most economic shape from the viewpoint of design and maintenance. To control the voltage, two machines are needed — a tap changing auto-transformer in front and a main transformer with a constant turns ratio at the rear. The tap changing gear is light in weight and is dimensioned for small currents but relatively high voltages. Literature available. **Item 2775**

Store Checkout System
Norwegian inventor offers for manufacture under licence in Canada his system for checkout lines in self-service stores consisting of special checkout stations and shopping baskets. The checkout point is equipped with a rotating table made from polished stainless steel and driven by a motor. Licence also covers a shopping basket equipped with a child's seat and other features. It is claimed this new system reduces the number of check out points required, saves time for the operator and the customer, and saves space in the stores. Literature available. **Item 2776**

Bell Annealing Furnaces
Czechoslovakian state trading agency offers under license the Canadian manufacturing rights to produce a line of bell annealing furnaces for the heat treatment of steel and non-ferrous metal strips and wire coils. These furnaces are built for normal annealing processes and especially for bright annealing in protective atmospheres. The main feature of the bell annealing furnace assembly is the heating bell which can be transported by an overhead crane from one base to another. Literature available. **Item 2777**

Electrolytic Reduction Process
Indian research institute is seeking a licensing arrangement with a Canadian firm for its new process for the electrolytic reduction of 3-nitro-p-cresol to 3-amino-p-cresol. The novel feature of this process consists in reducing 3-nitro-p-cresol as a suspension in dilute sulphuric acid medium (10%) using a rotating copper cathode at high current densities. This is claimed to improve the current efficiency in cells with high current densities. 3-amino-p-cresol is used as a starting material for the manufacture of optical whiteners for man-made fibres; it is also used as a dye intermediate and as a photographic developer. Literature available. **Item 2778**

Excavation System and Equipment
British inventor seeks a joint venture with a Canadian firm to manufacture his excavation system and equipment. This offer encompasses a comprehensive system and equipment for the excavation and laying of pipes, drains, conduits and small tunnels in soft or medium soil conditions. It is claimed to be particularly suited to conditions where surface excavation is not possible, e.g. under built-up areas, roads, rivers, etc., and to provide a minimum of disruption to traffic. Literature available. **Item 2779**

International Projects

ADB Loan for Bowatenna Power Project in Sri Lanka

The Asian Development Bank has loaned $8 million from its Special Funds resources to the Republic of Sri Lanka for the Bowatenna Power Project. The loan will finance the foreign exchange cost of the power project, consisting of an intake structure, power tunnel and penstock to convey water from the reservoir; a 40-MW power station complete with turbine, generator and ancilliary equipment, and a 16-mile, 132 KV transmission line. The project is to be completed by October 1976.

The demand for electricity in Sri Lanka has been increasing at a steady rate for several years, and the growth rate is expected to continue.

A firm of foreign consultants will be retained by the Ceylon Electricity Board to provide technical assistance in the design and implementation of the power project.

Total cost is estimated to be $17 million. The local currency costs, equivalent to $9 million, will be provided by the Government of Sri Lanka and the Ceylon Electricity Board. The Bowatenna Project is the first power project in Sri Lanka for which the Bank has made a loan.

Implementing Organization: Ceylon Electricity Board, Sir Chittamplam A. Gardiner Mawatha, P.O. Box 540, Colombo 2, Sri Lanka (Ceylon). Cable Address: KILOWATTS, Colombo.

Procurement: A contract for the construction of the public works will be awarded to a prequalified tenderer on the basis of international competitive bidding, in accordance with the Bank's guidelines, from eligible source countries.

Contracts for the supply and installation of electrical and mechanical equipment and the supply of transmission line materials will be awarded on the basis of international competitive bidding, in accordance with the Bank's guidelines, from eligible source countries.

Contract for the supply of materials and equipment involving estimated expenditure not exceeding $50,000 will be awarded on the basis of competition among suppliers from more than one eligible source country.

Consultants: To be selected from eligible source countries in accordance with the Bank's guidelines to provide assistance in the fields of civil, electrical and mechanical engineering for finalization of detailed engineering, preparation of tender documents, analysis of bids, and supervision of the implementation of the project.

Thai Highway Project

The World Bank is loaning $28.6 million to help finance a highway project in Thailand which is designed to improve communication between Bangkok, the country's principal port and business center, and several important industrial and agricultural centres and to stimulate economic activity in these areas.

Three national highway sections, totaling 177 miles will be built and improved. The Don Muang-Bang Pa In-Saraburi section is one of the most heavily travelled highways in the North-South axis. The Siracha-Bayong section in the Southeast region will provide a more direct link to Rayong, an industrial and tourism center. The Langsuan-Suratthani section is part of a future highway which will provide a direct route down the eastern coast of the Kra Isthmus in the southern region and link major population centers. The project also provides for the construction and improvement of four provincial (feeder) roads totaling about 240 miles.

The project includes feasibility studies by consultants of about 750 miles of provincial (feeder) roads and detailed engineering of about 500 miles, if justified. A highway maintenance study is also planned, as well as the purchase of urgently-needed maintenance equipment, and technical assistance to the Department of Highways in setting up a transport planning unit.

The estimated total cost of the project is $58.6 million, which will be financed by the Bank and the Government of Thailand. All construction and improvement works are expected to be completed by mid-1977. Feasibility studies of feeder roads are scheduled for completion by late 1974 and detailed engineering by late 1975. The Department of Highways is responsible for executing the project, except for the technical assistance to be provided to the Ministry of Communications.

Implementing Organization: Department of Highways, Ministry of Communications Rama VI Road and Sri Ayudhaya Road, Bangkok. Telephone No.: 817577.

Procurement: International competitive bidding for construction and maintenance equipment. In the comparison of bids for the supply of maintenance equipment, a 15 per cent preference margin or the applicable customs duty, whichever is lower, will be applied to bids from local manufacturers.

Consultants: De Leuw Cather International Inc., 56 Suriwongse Road, Bangkok, Thailand, will supervise construction of the Don Muang-Bang Pa In-Saraburi and the Langsuan-Suratthani road sections. Kampsax, 55 Oriental Avenue, Bangkok, Thailand, will supervise construction of the Siracha-Rayong road section. Scott, Wilson and Kirkpatrick, P.O. Box 2763, Bangkok, will supervise construction of the four provincial (feeder) roads.

T. P. O'Sullivan, 44 Queen Anne's Gate, Westminster, London, S.W.1., England, will provide the Department of Highways with assistance in highway planning and execution, highway maintenance and training.

Consultants to carry out the feasibility studies of about 750 miles and detailed engineering of about 500 miles of provincial (feeder) roads and the highway maintenance study to be selected.

Guyana Power Increase

The Guyana Electricity Corporation (GEC) is undertaking a $23.1 million power development project. Guyana's power supply is provided by several public and private systems, and prior to this project there has been little central coordination between the various electric power suppliers. It is being financed in part by a World Bank loan and will assist GEC, a Government-owned company, to achieve greater coordination among suppliers. It should also lead to a more rational and efficient power sector.

The project provides for frequency conversion to 60 Hz of GEC's Georgetown and other loads; the interconnection of the three principal systems in Guyana: installation of about 36 megawatts of diesel generation to meet estimated demand increase of the interconnected system, and distribution facilities in new service areas.

The project constitutes the major part of GEC's 1972-76 power development program. In addition to the facilities to be built under the project this program includes installation of 19 megawatts of small diesel units in different parts of the country and extension of the company's distribution system.

Implementing Organization: Guyana Electricity Corporation, 40 Main Street, Georgetown, Guyana. Cable Address: GELECORP, Guyana.

Procurement: About 30 megawatts of frequency converters and 13.8-kilovolt distribution facilities to be financed by the Bank loan will be on the basis of international competitive bidding. Contracts for the supply of material and equipment for the conversion of customers' equipment estimated to cost up to a total of $400,000, will be awarded on a negotiated basis. The equipment and material financed under the UK and CIDA loans will be procured on the basis of competitive bidding among suppliers in the United Kingdom and Canada.

Consultants: The Shawinigan Engineering (Guyana) Company Limited, for the design, construction, supervision, procurement and management of the project.

Ghana Rebuilds Sugar Industry

The International Development Association (IDA), an affiliate of the World Bank, has approved a credit equivalent to $15.6 million to help finance a project to rehabilitate Ghana's industry by expansion of cane production, replacement of field and factory equipment, provision of efficient management and a feasibility study for future expansion. Technical assistance for the strengthening of Ghana's Agricultural Development Bank (ADB) is also provided under the project, which is expected to be completed by 1979.

Ghana is currently facing the major task of restructuring her economy and the present project reflects the World Bank Group's support for this objective which entails a larger effort in Ghana's agricultural sector. The Government's plan calls for greater production in agriculture in order to achieve greater self-sufficiency in food for domestic consumption; measures to increase export diversification; and a wider geographic spread of agricultural development. Agriculture accounts for about 40 per cent of Ghana's GNP and provides livelihood for about 60 per cent of the population. An important feature of the Government's agricultural policy is the emphasis on increased production of raw materials for Ghana's own factories.

The present campaign in support of these objectives includes "Operation Feed Yourself", which was launched earlier in the year with a $15 million program for increased production of traditional local commodities. Increased production of sugar, together with other less familiar agricultural crops, such as rice and cotton, is a logical second stage of the larger operation.

Implementing Organization: A newly registered limited liability company, Ghana Sugar Estates Limited (GHASEL), has been formed to own and operate the two factories and estates. Address: c/o Capital Investments Board, P.O. Box M193, Accra, Ghana. HVA is providing management services to GHASEL under the project.

Project Description: The project includes: machinery and equipment for two sugar factories and their associated sugarcane estates at Asutsuare and Komenda; planting 3,550 acres of sugarcane and replanting 7,350 acres; provision of credit and extension services to assist smallholders bring about 3,900 acres into sugarcane production and to replant about 8,700 acres; rehabilitation of irrigation works to meet all Asutsuare requirements and pilot works for about 600 acres at Komenda; housing for management, staff and workers on two estates, and vehicles for management and staff on the two estates; expatriate management services to establish operation of the sugar industry in a single Ghanaian company and to train Ghanaian management and staff; technical assistance to the Agricultural Development Bank in credit accounting and control, reviewing the financial position of the Bank, and advising on credit policies and procedures, and a study to determine the feasibility for further expansion of sugar production.

Consultants: The Government has appointed Berenschott Bosboom of Holland to assist the ADB in credit control and accounting procedures, after evaluating proposals from three interested firms. A study will be conducted of the feasibility of subsequently expanding sugar production in Ghana beyond what is envisaged in the proposed project. Consultants shall be selected for this study by June 30, 1974.

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.

Airport Equipment

HONG KONG — VOR (Very High Frequency Omni-Directional Range); aerodrome rotating beacon; approach/aerodrome control service; runway, taxiway and threshold lights; VASI (Visual Approach Slope Indicator); approach lights; lighted wind direction indicator; obstruction lights: Airstocks Ltd., Airline Stores Building, Hong Kong Airport — attn: A. J. King, Sales Manager.

Chemicals

SWEDEN — Amino acids such as lycine and methionine: Mr. Lars-Magnus Corin, Managing Director, Fredr. Corin & Co AB, Box 3017, S-400 10 Goteborg 1.

Clothing

ISRAEL — Velveteen, corduroy, denim, artificial suede. Current suppliers Japan, Germany, Italy but there are shipping delays of five to six months from these sources: S. Levy, Melitex Ltd., 134 Allenby Street, Tel Aviv.

Foodstuffs

BAHAMAS — Canned fruits and vegetables in institutional sizes, number 10 cans. Samples and c.i.f. prices via Miami or West Palm Beach to Peter Albury, Stanley VS Albury Ltd., P.O. Box N 45, Nassau.

SINGAPORE — Skim milk and buttermilk powder: Wong Chiang Siang, Production Manager, Magnolia Dairies Private Limited, Empire Dock.

Hardware

BRAZIL — Catalogues and prices on hammers, drills, pliers, files, saws, plumber's tools, etc. suitable for small repair shops or handymen: Mr. Jose Carlos Fernandes, Commercial Manager, Casa Rodrigues Netto — Ferrangens Ltda., Caixa Postal 621, Sao Paulo, SP.

Machinery and Equipment

BRAZIL — Catalogues and prices for toothbrush manufacturing machinery; also moulds for production of plastic household and kitchen articles, bathroom fixtures, etc. Mr. Masayuki Nakagawa, Director Administration and Marketing, Piace Companhia Industrial, Caixa Postal 3399, Sao Paulo, SP.

Cutter-copier to turn out replicas of rifle-stocks, knife handles and similar items from wood residue. Catalogues and prices to Mr. Antonio Gonzales Ruiz, President, Bandeirantes 67 Agropecuaria S.A., Avenida Paulista, 726 — cj. 708, Sao Paulo, SP.

DENMARK—

Manufacturer of knives and kitchen equipment (coffee makers, grills, slicing machines, etc.) interested in representing Canadian manufacturer of similar lines: T. W. Harboe, Commercial Officer, Canadan Embassy, Prinsesse Maries Alle 2, Copenhagen V.

HAITI — Heavy-grade, rigid electrical conduit and fittings: M. Noel Rouzier, P.O. Box 764, Port-au-Prince.

SWEDEN — Automotive parts: spark plugs, fan belts, filters (gas, oil, air), bulbs and automotive chemical products: Mr. Svante Landstrom, Sales Manager, Sten Engwall AB, Charlottenberg Gard, S-195 00 Massta.

SWEDEN — Suction box covers of ceramic type and converters for paper manufacturing; bending rolls, forming boards, deflectors: Mr. E. Larsson, General Manager, Ivar Muntzing & Co. AB, Box 5058, S-402 22 Goteborg.

SWEDEN — Machinery for peeling, grinding and cutting ginger: D. C. Butler, Assistant Commercial Secretary, Canadian Embassy, P.O. Box 16129, Tegelbacken 4, 103 23 Stockholm 16.

UNITED STATES — Gauges, castings, forgings, moulded plastic and rubber parts, rivets, bearings, springs and wire chain, also cut gears and parts for snowmobile industry: Wes Soerens, 522 Valley Road, Box B, Kohler, Wisconsin 53044.

Materials

PUERTO RICO — Two-inch galvanized steel pipe, ASTM designation A-120 (latest edition), including these additional requirements: manufactured either electric resistance or furnance welded; standard weight (schedule 40); single lengths of 21 feet (no jointers); threaded ends; handling-tight jointers. Mr. G. Figuroa, Electrosale Company, Box 2802, Bayamon, Puerto Rico 00619.

Plastics

SINGAPORE — Poly laminated bags and poly laminated bagmaking machines: H. S. Phua, Tosca (Pte) Ltd., 14 Little Road, Singapore 19, P.O. Box 2544.

Recreation

PUERTO RICO — Above-ground steel and vinyl swimming pools. Send literature and c.i.f. U.S. duty-paid prices to Mr. Davila, Transworld Pools, G.P.O. BOX 989, San Juan, Puerto Rico 00936.

Miscellaneous

SWITZERLAND — Paper disposables for household; tobacco products; smokers' requisites; toilet preparations: Weitnauer SA., Petergasse 36, 4001 Basel.

IRELAND — Irish company seeks licences for fabricated plant and components for the petroleum, gas, chemical and mining industries, involving welded vessels, tanks, chimneys (multicore and double-walled) and components, both shop and site-erected, including high-quality pipework, all to class 1 standard in carbon and alloy steel: The Irish Export Board, 10 King Street East, Toronto 210, Ontario.

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.

	Value of	
Country and Currency	**foreign currency unit in Canadian dollars at January 24**	**Canadian dollar in foreign currency units**
Algeria Dinar	.2380	4.20
Arab Republic of Egypt Pound (official)	2.2986	.44
Argentina Peso (free)	.2002	5.00
Australia Dollar	1.2737	.79
Austria Schilling	.0433	23.09
Bahamas Dollar	1.0303	.97
Belgium and Luxembourg Franc	.0227	44.05
Bermuda Dollar	1.0397	.96
Bolivia Peso	.0498	20.08
Brazil Cruzeiro (official free)	.1613	6.20
Britain Pound	2.3585	.42
British Honduras Dollar	.6078	1.64
Burma Kyat	.1868	5.35
Ceylon (see Sri Lanka)		
Chile Escudo (bank rate) (free)		
China, People's Republic of Renminbi	.4188	2.39
Colombia Peso (fixed)	.0436	22.94
Costa Rica Colon	.1508	6.63
Cuba Peso	.9827	1.02
Czechoslovakia Koruna (fixed basic rate)	.1526	6.55
Denmark Krone	.1453	6.88
Dominican Republic Peso	.9994	1.00
Ecuador Sucre (official)	.0399	25.06
El Salvador Colon	.3998	2.50
Fiji Dollar	1.1912	.84
Finland Markka	.2437	4.10
France, Monaco, etc.[1] Franc	.1969	5.08
French Pacific[2] Franc	.0108	92.59
Franco-African Republics[3] Franc	.0039	256.41
Germany D Mark	.3141	3.18
Ghana New Cedi	.7795	1.28
Greece Drachma	.0333	30.03
Guatemala Quetzal	.9994	1.00
Guyana Dollar	.4444	2.25
Haiti Gourde	.1999	5.00
Honduras Lempira	.4997	2.00
Hong Kong Dollar	.1769	5.65
Hungary Forint (official)	.0869	11.51
Iceland Krona (official)	.0101	99.01
India Rupee	.1254	7.97
Indonesia Rupiah	.0024	410.00
Iran Rial	.0134	74.63
Iraq Dinar	3.0381	.33
Ireland Pound	2.3585	.43

Country and Currency	Value of foreign currency unit in Canadian dollars at January 24	Value of Canadian dollar in foreign currency units	Country and Currency	Value of foreign currency unit in Canadian dollars at January 24	Value of Canadian dollar in foreign currency units
Israel Pound	.2379	4.20	**Philippines**[5] Peso (free)	.1469	6.81
Italy Lira	.0017	588.24	**Poland** Zloty (fixed basic rate)	.2577	3.88
Jamaica Dollar	1.0993	.91	**Portugal & Colonies**[6] Escudo	.0367	27.25
Japan Yen	.0033	303.03	**Saudi Arabia** Riyal	.2273	4.40
Kenya[4] Shilling	.1379	7.25	**Sierra Leone** Leone	1.2371	.81
Korea, Republic of Won	.0027	370.37	**Singapore** Dollar	.3358	2.98
Lebanon Pound (free)	.3184	3.14	**South Africa** Rand	1.2766	.78
Libya Pound	2.777	.36	**Spain & Dependencies** Peseta	.0158	63.29
Malawi Kwatcha	1.2280	.81	**Sri Lanka**[7] Rupee	.1564	6.39
Malaysia Dollar	.3544	2.82	**Sweden** Krona	.2107	4.75
Mexico Peso	.0799	12.52	**Switzerland** Franc	.2708	3.69
Morocco Dirham	.2144	4.66	**Syria** Pound (free)	.2711	3.69
Netherlands Florin	.3119	3.21	**Thailand** Baht (free)	.0481	20.79
Netherlands Antilles Florin	.5583	1.79	**Trinidad & Tobago**[8] Dollar	.4914	2.04
New Zealand Dollar	1.2002	.83	**Tunisia** Dinar	2.0667	.48
Nicaragua Cordoba	.1428	7.00	**Turkey** Lira	.0714	14.01
Nigeria Naira	1.4700	.68	**United States** Dollar	.9994	1.00
Norway Krone	.1509	6.63	**Uruguay** Peso (free)	.0013	769.23
Pakistan Rupee	.0908	11.01	**Venezuela** Bolivar (official free)	.2279	4.39
Panama Balboa	.9994	1.00	**Yugoslavia** Dinar (official)	.0588	17.01
Paraguay Guarani (free)	.0079	126.58	**Zaire, Republic of**[9] Zaire	1.961	.51
Peru Sol (free)	.0258	38.76	**Zambia** Kwacha	1.3893	.72

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. Rate also applies to Tanzania and Uganda.

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

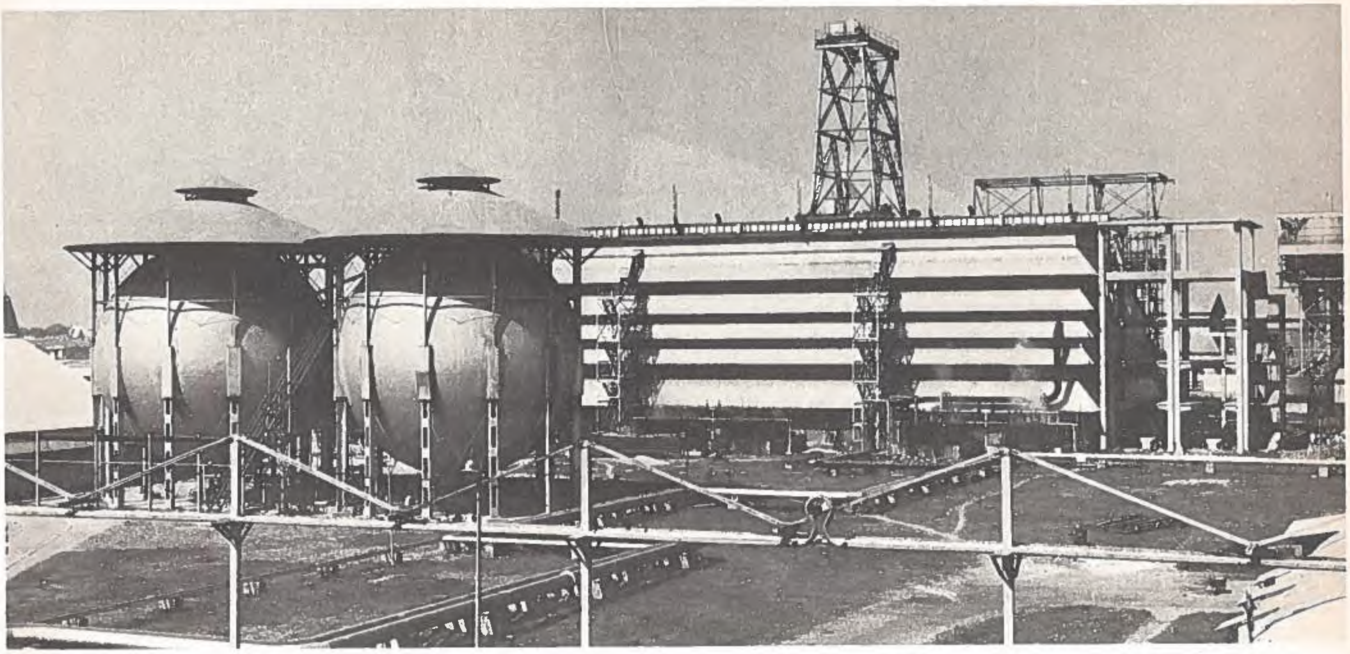
6. Approximately same for Portuguese territories in Africa.

7. Formerly Ceylon.

8. E. C. dollar, at same rate, used in Barbados and Leeward and Windward Islands.

9. Formerly Congo (Kinshasa).

India needs raw materials for chemical industry



The ammonia plant of the Sindri fertilizer factory, showing the Horton spheres for liquid ammonia.

R. C. KAMO, Commercial Officer, New Delhi

India's chemical industry has undergone a rapid expansion in the last 10 years, to the point where this country is now a leading producer among developing countries. The growth of this industry has been at a compound rate of 17 per cent a year during the sixties. In India, chemicals rank fourth among the top manufacturing industries, after textiles, iron and steel, and engineering. There are more than 700 factories engaged in chemicals production and the total investment is well over $900 million (Rs. 6,400 million), providing employment for more than 200,000 people.

Two decades ago, the manufacturing activities of this industrial sector were confined largely to processing and formulation but today most of the basic chemicals are being produced in India. Although the recent suspension of U.S. aid and consequent scarcity of foreign exchange encourages the drive towards self-reliance and self-sufficiency, India continues to import raw materials for the chemical and pharmaceutical industries.

These imports have been rising in line with increasing industrial requirements but, because of restrictions on the outflow of hard currency, import controls have become highly restrictive. Only essential items are allowed in and these are increasingly channelled through public sector agencies. Imports of various chemicals and pharmaceutical raw materials are handled through two public sector agencies — the State Trading Corporation of India Ltd. (STC), Chandralok, 36 Janpath, New Delhi 1, and the Minerals and Metals Trading Corporation Ltd. (MMTC), Express Building, Bahadur Shah Zafar Marg, New Delhi 1. These agencies import raw materials in bulk, generally by means of public tenders, on behalf of end users.

But established importers and registered exporters also import certain pharmaceuticals and chemicals in small quantities in accordance with the requirements of the industries they serve. Such importers should have the necessary import licence issued by the Office of the Chief Controller of Imports & Exports. There are more than 250 items that can be imported in the drugs and medicine field, and about 100 items in the industrial chemicals field.

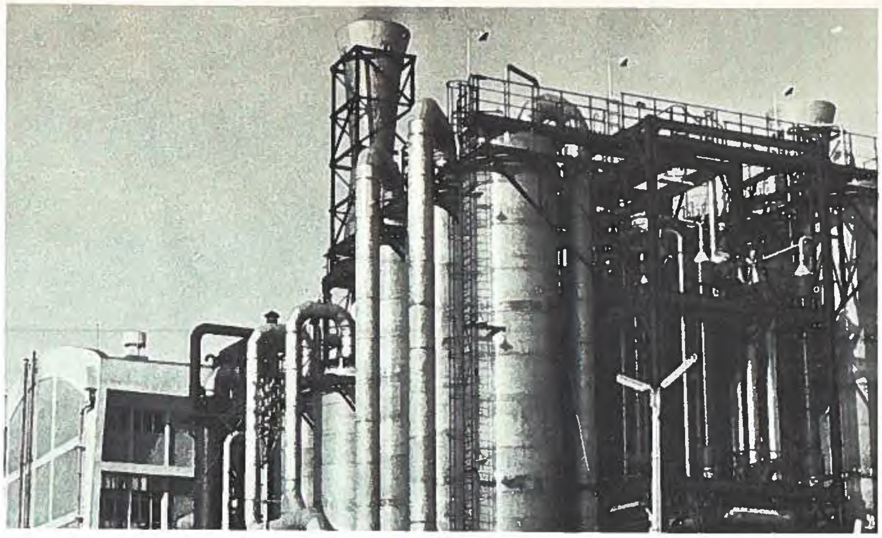
The items that MMTC imports in bulk are non-processed elemental non-refined recovered sulphur, rock phosphate, mineral phosphate, muriate of potash (potassium chloride other than industrial grade), fluorspar (acid grade), sulphate of potash and sulphate of ammonia. MMTC imports sulphur both commercially and under CIDA loans from Canada.

Fertilizers are also imported by the Ministry of Agriculture through the Ministry of Supply, Nirman Bhawan, New Delhi 11. All the fertilizers imported from Canada are against tenders issued by the Ministry of Supply.

Fertilizers and agricultural chemicals are important to India because 65 per cent of the country's population is dependent on agriculture and there is no local production of sulphur or other raw materials, such as potash. India has been importing P_2O_5 and K_2O in large quantities and these imports are likely to continue for some time.

Most fertilizers from Canada are imported under CIDA loans only, although sulphur is also imported commercially. Under Canada's $50 million Development Loan Agreement with India, Canada will provide India with industrial commodities, fertilizers and fertilizer materials over a period of two years, including $6 million worth of NPK, $7 million worth of potash and $500,000 worth of sulphur. Only firms manufacturing fertilizers with a minimum 66⅔ per cent Canadian content are eligible to supply under CIDA loans. Canadian companies interested in supplying the above fertilizers to India should register their interest with G.P. Campbell, Chief — Contracts & Commodities Division, Canadian International Development Agency, 122 Bank Street, Ottawa K1A 0G4. to ensure receiving copies of tenders whenever the Indian Government purchasing authorities invite offers.

The Indian market for chemicals and fertilizers is competitive and difficult to penetrate for many reasons, including shortage of foreign exchange, global competition, procedural delays in government purchasing departments, and stringent import control policies. A resourceful agent is a very real advantage and the post in New Delhi will be pleased to suggest names of potential agents. Canadian companies interested in the Indian market should send details of their products, preferably with a few copies of catalogues and pricing information, directly to the Commercial Section of the Canadian High Commission, P.O. Box 5208, Shanki Path, Chanakyapuri, New Delhi 2.



A view of the nitric acid plant of the Nangal factory.

India's Chemical Imports, by Sector
($ million)

	1969-70	1970-71
Organic chemicals	72.5	74.2
Inorganic chemicals	21.5	21.5
Fertilizers	94.6	86.2
Medicinal & pharmaceuticals	25.8	34.2
Dyeing, tanning & coloring materials	10.0	13.1
Plastics & resins	11.7	11.4
Synthetics & regenerated fibre	2.1	10.1
Petroleum & petroleum products	193.8	191.4
Total	**432.0**	**442.1**

Where India Buys Fertilizer
(Thousands of Metric Tons)

	Sulphur		Potash		Urea		Ammonium phosphate	
	1969-70	1970-71	1969-70	1970-71	1969-70	1970-71	1969-70	1970-71
Canada	208	264	30	29	10	22	13	32
Poland	58	116	—	—	40	66	—	—
Iran	25	62	—	—	—	—	—	—
France	21	7	1	6	—	—	—	—
U.S.A.	6	—	—	—	85	122	116	13
Qatar	5	—	—	—	—	—	—	—
W. Germany	—	—	2	—	3	—	—	—
E. Germany	—	—	70	19	—	—	—	—
Britain	—	15	—	—	15	43	—	—
U.S.S.R.	—	—	20	—	17	15	—	—
Japan	—	—	—	—	97	52	—	—
Bulgaria	—	—	—	—	31	38	—	—
Belgium	—	—	—	—	12	—	—	—
Hungary	—	—	—	—	10	—	—	—
Sweden	—	—	—	—	5	6	—	—
Romania	—	—	—	—	4	8	—	—
TOTAL (including other countries).	**324**	**465**	**123**	**54**	**335**	**451**	**129**	**45**

Swiss Lead the way in Textile Care, Labelling

ODETTE VOULICH, Commercial Officer, Berne

Textile Care Card
1971 Edition

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Swiss Organization for
Care Labelling of Textiles
Utoquai 37, 8008 Zurich

Washing The figures inside the wash-tub indicate washing temperatures (in °C) which must not be exceeded. Wash textiles more frequently, rather than allowing them to become badly soiled. We recommend sorting them beforehand according to the treatment indicated on the care labels. Wash white and coloured laundry separately. Do not overload the machine. Pre-treat new coloured and starched articles separately or pre-wash in lightly filled machine. *Always add washing agent according to operating and dosage instructions.* Pre-treat particularly dirty spots with washing powder paste. Never leave coloured or easy-care articles lying wet. Follow instructions for articles requiring special treatment.	95 **Boiling** *Drum machines (automatic):* Put in laundry loosely, preferably with large and small articles mixed. – No more than half-fill drum with pre-treated, wet laundry. Set boil program with or without pre-wash. Select special program, if necessary, for stubborn marks. *All other machines and hand laundry:* Soak or pre-wash if necessary, disperse washing agent in water and put in laundry loosely. 60 **Coloured or hot wash** *Drum machines (automatic):* Put in laundry loosely. Easy-care articles: greatly reduce load, do not spin (risk of creasing). Set 60°C washing program, with or without pre-wash. *All other machines and hand laundry:* Briefly soak or pre-wash if necessary, add washing agent and fill in articles loosely. Wash for ¼–½ hour, agitating frequently. 40 30 **Lingerie** Washing machines may be used for lingerie if the mechanical operation is as gentle as *hand treatment.* Machines carrying the appropriate washing symbols on their controls, which have been officially tested in Switzerland, satisfy this requirement. *Drum machines (automatic):* Put in articles loosely. Greatly reduce quantity of laundry. Set appropriate program. Do not spin if risk of creasing exists. *Hand laundry:* Dissolve washing agent in water. Squeeze articles well in suds; do not rub, pull or wring. Treat more delicate articles separately. **Do not wash:** The article may be damaged by washing.
Bleaching (Javel water) Coffee, wine, fruit and other stains may be removed by use of chlorine if chlorine symbol on label is not crossed out.	Cl **Chlorine bleach possible:** Place well-rinsed laundry 1–2 hours in cold bleach (½ cup Javel water to 2.2 galls. cold water). Rinse thoroughly. Wash again in accordance with instructions on label. **Do not bleach:** Do not use any stain remover such as Javel water (recognisable by smell of chlorine). Have garment cleaned by expert.
Ironing In addition to material descriptions, temperature ranges are indicated by dots on modern irons and ironing machines: 3 dots = hot, 2 dots = medium, 1 dot = low. Certain articles *may* be ironed, but *do not have* to be, e.g. if the are hung up dripping wet and pulled into shape.	**Hot iron** (as «cotton/linen position»): iron wet or damp; press articles sensitive to pressure or subject to shine under a cloth or from the backside. **Medium hot iron** (as «woollens/silk position»): iron beneath moderately damp cloth or use a steam iron. Avoid heavy pressure if possible. Do not crumple. **Do not iron hot** (as «artificial silk/nylon position»): iron articles sensitive to pressure or subject to shine under a dry cloth if necessary or from the backside. Do not crumple. Work *without water* when using a steam iron. **Do not iron:** Undesired effects will occur if you press.
Dry-Cleaning The cleaning symbols are given primarily for the benefit of dry cleaners. Never rub when you remove spots with stain-removers.	A **All normal methods possible** P **Perchlorethylene cleaning:** standard process F **«Solvent F» process:** the most gentle cleaning process **No dry-cleaning possible.** Caution when using stain removers.
Example of a Care Label for Textiles 60 | | | P	On labels with «traffic light» colour symbols, green signifies the highest position, yellow to orange/green the middle, yellow to orange the most gentle and red signifies no treatment permitted. The label represents a reccomendation for the proper care of the textile concerned. It should not be confused with a guarantee for behaviour during use or with a symbol of quality signifying compliance with certain minimum requirements.

Housewives in Switzerland, like those in other countries, are demanding detailed textile care labels. They want labels that not only show sizes but also describe the best way to care for new clothes. In Switzerland 71 per cent of the population speaks German, 19 per cent French and 10 per cent Italian, so it is important to provide consumer information by means of symbols rather than in three languages.

The Swiss Organization for Care Labelling of Textiles (Schweizerische Arbeitsgemeinschaft für das Textilpflegezeiche — SARTEX) has been in the vanguard of development and promotion of textile care labelling. It is part of an international organization of Belgium, Luxembourg, West Germany, France, the Netherlands, Austria and Italy. All have agreed to use SARTEX textile care symbols.

Textile care labelling is voluntary in Switzerland but any Swiss manufacturer using labels must agree to comply with SARTEX directives. About 75 per cent of all garments sold in Switzerland, including imports, contain textile care labels. The labels indicate, among other things, the proper ironing temperatures to be used (see illustration) and some Swiss iron manufacturers are putting these dot indicators right onto their appliances.

More than 20 Swiss companies produce garment labels and they also are bound to comply with SARTEX regulations. All new label designs are submitted to SARTEX for approval. Normal colors for label symbols are black and white but some pastel colors are permitted for special cases. In some European countries labels with "traffic light" colors are used, a system similar to the one being introduced in Canada.

More and more Swiss women are working in offices and factories and they need easy-care clothing. Informative labelling helps them to buy the type of clothing they need. This partly explains the rapid increase in textile care label use, but there are other factors.

Switzerland's chronic labor shortage has affected the larger department stores and there are now fewer sales people qualified to give customers adequate information about care of garments. Another trend has led to increased use of care labels. Clothing is being sold, to a greater extent than before, in self-service stores and if labels are inadequate this can create problems when a customer needs information on how to care for garments.

The SARTEX grading regulations give the manufacturer more to worry about because he has to take into account all fabrics used in an item and the type of wear for which it is designed. This means he usually has to make washing, ironing, cleaning and wearing tests before grading any garment. Consideration must be also given to the garment's other components, such as linings, buttons, trims and threads.

SARTEX even has regulations about where the care label may be placed on a garment. They must be easily visible, but they must not show through the fabric nor impede the wearer in any way.

Canadian garment makers cannot use the SARTEX symbols but they are advised to use the symbols approved by the Canadian Department of Consumer and Corporate affairs if they are interested in selling their products in Europe.

SARTEX is co-operating with institutions in other countries, including the Department of Consumer and Corporate Affairs in Ottawa, and it is hoped that the current exchange of guidelines, regulations and other information will bring about adoption of a uniform, world-wide textile care labelling policy.

Lake ports invade Europe

A 15-member trade mission has been sent by the International Association of Great Lakes Ports (IAGLP) to Britain, Germany, Yugoslavia, Italy, the Netherlands and Belgium to entice more shipping down the St. Lawrence Seaway into the Great Lakes ports of Canada and the United States.

Among the Canadians in the Canada-United States task force are Charles Gress of Windsor, Ontario, past president of IAGLP, Ian Brown of Toronto, the Association's secretary-treasurer, and W.H.M. Colvin, secretary of the Toronto Harbour Commissioners.

The mission is the first of a planned series. The objectives are reinforcement of existing trade ties and establishment of new contacts in developing nations and it is hoped that the Great Lakes and the St. Lawrence Seaway will become almost household words in the World's shipping and commercial circles.

The IAGLP is the only international voice the Great Lakes ports of Canada and the United States have in common. The Association's president, F.D. Flori, says: "The coastal ports of Canada and the United States have been in business many more years than we have and that is precisely why we must move as a force to establish our position in the world".

Charles Gress expresses much the same point of view: "Our job, as I see it, is to go to the emerging nations of the world and make them aware of what we have. They may not know of our great inland ports. This must change. We must show them that it is just as easy and sometimes shorter, in terms of nautical miles to ship directly into the Lakes as it is to the coastal ports."

The importance of the Great Lakes area is a simple economic fact. It is the largest manufacturing and commercial area in North America and the tonnage handled on the Canadian side is greater than anywhere else in Canada.

The general manager of the Toronto Harbour Commissioners, E.B. Griffith, says the IAGLP represents all independently-run Canadian ports on the Great Lakes and it has helped to develop domestic and foreign trade as well as making a major contribution to the extension of the shipping season by co-operating with the St. Lawrence Seaway Authority and the St. Lawrence Development Corporation.

Canadian members of the IAGLP are: The Hamilton Harbour Commissioners, Oshawa Harbour Commission, Lakehead Harbour Commission, The Toronto Harbour Commissioners and the Windsor Harbour Commission.

Thailand is Digging it's Future

D. G. RYAN, Assistant Commercial Secretary, Bangkok

Until recently mining has not been important to Thailand. The large population had been effectively supporting itself through income from agriculture and, with the exception of some tin mines, little was being done to tap the country's mineral wealth.

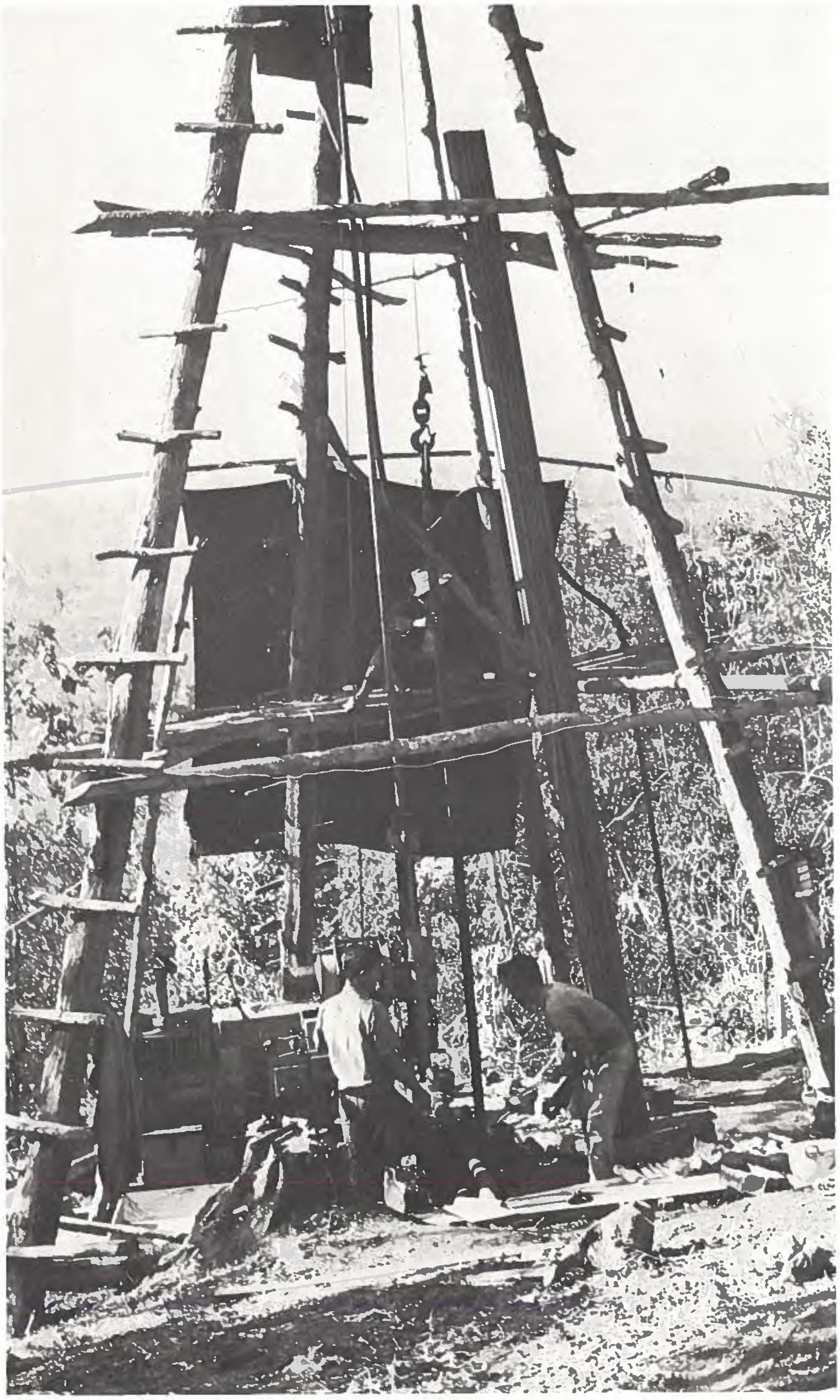
In the past few years, however, the unstable international markets for rice and rubber and the loss of income from United States military expenditures has caused Thailand to turn its attention to mining as a potential foreign exchange earner. Increased activity in Indonesia and other nearby areas has set the pattern for establishing a suitable framework for mining, and the Thai Government is now being pressured to take similar steps.

Based on geological surveys, it is generally agreed Thailand possesses sizeable untapped resources. On the land surface, there is evidence of rich deposits of a wide variety of minerals; even greater wealth is promised below. Local experts believe Thailand offers good potential which could be realized provided the Government implements reforms in mining procedures and laws to establish a hospitable framework for large-scale exploration and exploitation.

At present, the mining industry contributes less than 2 per cent of the GNP, although the whereabouts of many rich deposits have long been known. It is generally agreed that the real stumbling block is the administrative and legal procedures that must be waded through before starting an operation.

Thailand has one agency — the Department of Mineral Resources (DMR) — responsible for administering the Minerals Act and nearly all mining activities which range from mineral imports and exports to collecting fees and royalties for prospecting. Unfortunately, the DMR has only a limited staff and little financial resources. The result has been a backlog of work and long delays in the processing applications; some 15,000 applications for Exclusive Prospecting Licences are outstanding at present.

Possibly the greatest deterrent to rapid development of the mining industry has been the existing Mining



Crew uses diamond drill in search for copper deposits in Loei Province, Thailand.

Code. It creates many legal problems that present obstacles and risks to the large companies which could introduce expensive mining and processing machinery for more efficient operations. Most potential investors see the Code as a hindrance rather than a benefit to the country.

Another curtailment to the development of the mining industry are restrictions on exploration. It was not until 1968 that exploration was permitted in 90 per cent of Thai territory. Before that time, all mining was restricted to the peninsula south of the 11th parallel because it was believed mines would ruin some of the forests or farmlands. Even today mining companies can only carry out reconnaissance on concessions north of the 11th parallel if they have at least 51 per cent Thai ownership. While this protects Thai interests it also severely restricts investment. There are no mining banks in the country and as potential investors find returns on less risky ventures more attractive, it is extremely difficult to raise sufficient capital for large ventures. Thus there is a proliferation of small mines of limited economic benefit to all concerned.

The DMR has progressed well in the geological mapping of two thirds of the country and through domestic activity and foreign assistance, should have a complete picture by 1977. Thailand's Third Plan expenditures on the mineral sector for 1971-1976 is expected to be $16.74 million. Of this amount, foreign assistance is estimated at $1.36 million.

But there is much to learn about Thailand's resources. Sophisticated exploration and evaluation techniques are used rarely. Most mining ventures have little working capital and seldom indulge in costly investigation of subsurface deposits. Activities are restricted to primitive surface reconnaissance. Frequently ore is stripped from easily accessible surface exposures and often pieces of fluorite or woolfram, loosened by shovel, are transported by baskets on laborers' shoulders.

All mines in Thailand are open-pit operations with the exception of a fluorite mine operated as a joint venture with Kaiser. Exploitation of surface deposits, however, will undoubtedly wane in future as mines go underground. As this happens, foreign expertise and assistance will be required to train the Thais and to provide the capital for underground operations. Requirements for consultants and partners for joint ventures will increase considerably.

Many recommendations have been made to Thai authorities to make changes in the Mining Code and it now appears as though a breakthrough is being made. Government policy, as outlined in the Third Development Plan, indicates some of these problems have been recognized to some extent and corrective action will be taken.

The Thai Mining Association, one of several such associations in the country, has made representation to the Government for formation of a mining board which will be a private organization through which consultations can take place with the DMR. No such consultations now exist. Also suggested has been the establishment of a "Mining Industry Promotion Fund" to assist companies to initiate projects and raise capital for mining ventures. Both these proposals have been well received by the Government and will be studied further.

Some liberalization of the Mining Code has already taken place. Administrative procedures have been streamlined to some extent and the regulation calling for 51 per cent Thai ownership has been relaxed on two recent occasions. This occurred when tenders were opened, regardless of ownership, for the exploitation of a zinc deposit and a large fluorite deposit. Pressure, however, is still being exerted from a variety of sources for Thailand to establish a clear legal framework wherein mining companies can establish concessions more rapidly. Until this is done, and the capital market has matured, the Code is considered counterproductive.

The promise of regularization of the Code should provide greater opportunities for suppliers of services and equipment as well as potential investors. In anticipation of increased activity, the Thai Mining Association has already approached this office for lists of interested consultants and mining companies interested in investigating the opportunities.

The market for mining equipment, while not active at present, will

Hand-mining fluorite for Thai export companies.

grow quickly as larger and more mechanized mines start operating. Already several lines of drills and various other machinery are represented locally and this office can only encourage Canadian manufacturers to act sooner rather than later to be prepared for the increased activity.

In summary, the mining picture in Thailand is still muddy but there are definite signs of improvement. Even with the existing legislation there are companies who have successfully coped with the frustrations of the system and have invested in profitable ventures. Strongly in Thailand's favor is the fact that the Government has never reneged on or removed the rights of any mining company. Any changes in the legislation will be for the better and as these changes come about over the next few years mining activity will pick up to a level at which there will be many opportunities for Canadian companies.

THAILAND MINERAL PRODUCTION GOALS 1972-1976

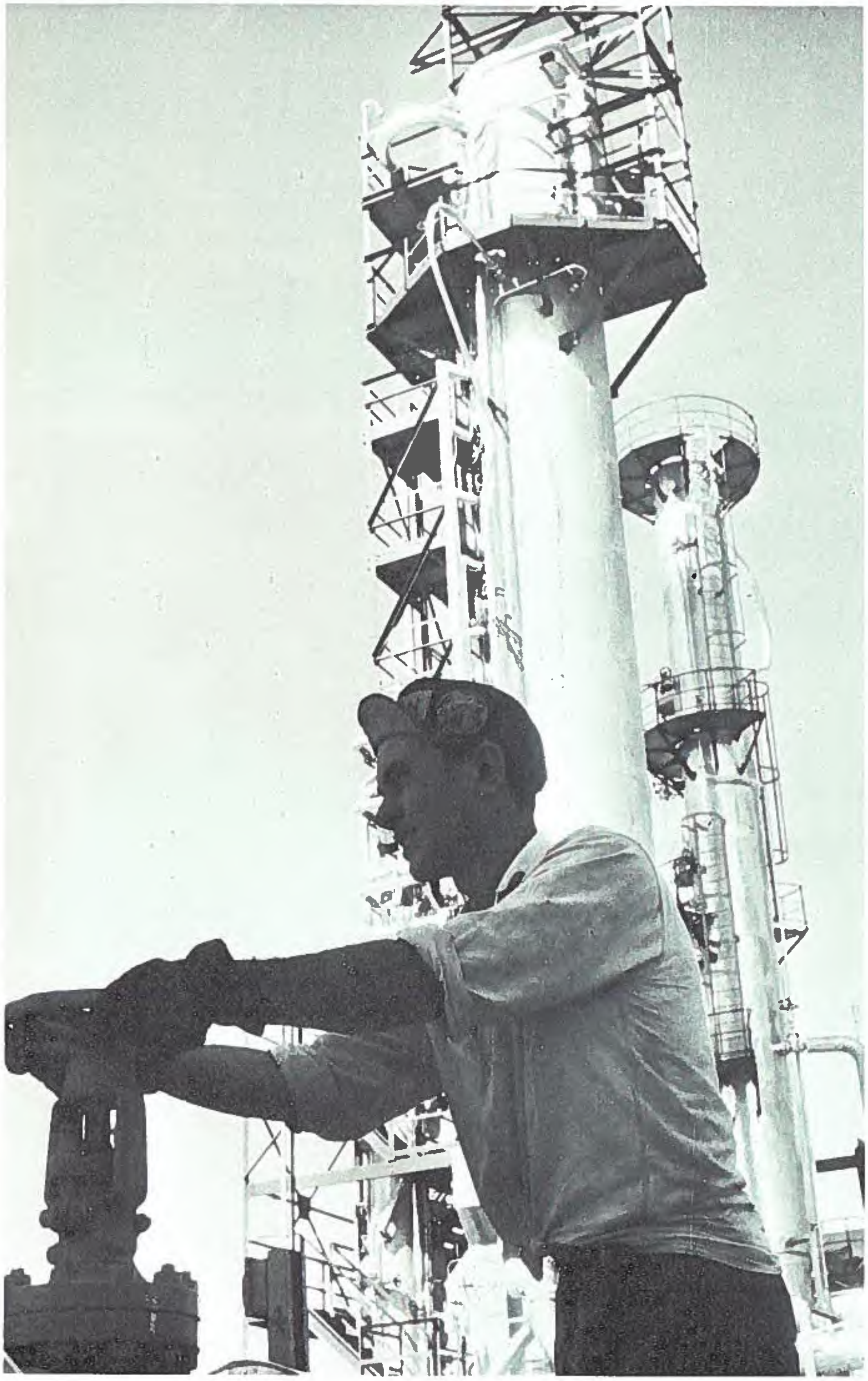
	(Thousands of metric tons)	
Mineral	**1972**	**1976**
Tin (as metal)	23.01	25.14
Fluorite	360	650
Tungsten	1.22	1.32
Antimony	3.60	4.00
Manganese		
Battery grade	5.30	6.70
Metallurgical	26.60	33.70
Iron	26.52	29.85
Kaolin	6.96	12.70
Silica sand	103.00	116.00
Marl	1,986.49	2,804.10
Lignite	377.40	392.60
Gypsum	132.60	138.00
Barite	24.48	26.52
Lead	4.00	—

Source: National Economic Development Board.

Bound for Bangkok, fluorite ore from a mine in Kanchanaburi is unloaded from a river barge.

Italian Government Significant In Industy

DAVID S. WRIGHT, Commercial Secretary, Rome



Worker opens valve at ENI groups refinery at Gela, Sicily. ENI controls the petroleum and natural gas sector.

Direct state participation in industry, through ownership, has been a feature of Italian economic life since the 1930's. State ownership has helped the Government to carry out anti-cyclical spending policies, regulate foreign control of industry, set social and economic priorities and alleviate regional disparities. The Government's participation is exercised through eight state-owned holding companies which, between them, control more than 300 firms. It is estimated that almost half the capital investment and more than one quarter of total sales and employment in Italy are directly attributable to corporations in which the state holds the controlling interest.

Although there are no dependable figures which isolate the role of the state corporation in Italy's foreign trade and investment abroad, the impact of the international activities of these companies on the country's balance of payments is significant. The proportion of state-owned companies to private firms is much higher in the large company category than in smaller companies. Accordingly, many of Italy's multinational giants are run with state participation. Often a consortium of firms under one of the state holding companies is established to compete for major projects in foreign countries and co-operation among members of the consortium is made easier by the common relationship in the holding company.

Two holding companies dominate Italian economic life, IRI and ENI. These groups hold a minority, a majority, or in some cases 100 per cent of the shares of the major firms in the key sectors of the economy. The holding companies co-ordinate all planning and investment. IRI and ENI draw up their investment plans independently, and the Ministry of State Participation is responsible for further co-ordination of the investment programs among the various holding groups. The Ministerial Committee for Economic Planning, chaired by the Prime Minister, reviews the major investment plans in the public

Money spent by the million of visitors to Italy goes a long way toward creating a favorable balance of payments.

sector. In this way the Government takes a direct part in the decisions on the level of investment, plant locations, and the setting of spending priorities among the various industrial sectors.

Of the two holding companies mentioned, IRI (Institute for Industrial Reconstruction) is the larger, with a controlling interest in 155 organizations. The steel and mechanical industries, banking, telecommunications and transport are dominated by IRI. Well-known companies under the IRI umbrella include Alitalia, Alfa Romeo, Italsider (the leading steel company), RAI (the television network), SIP (the telephone system), Italian Lines (shipping), the Bank of Rome (and three other major banks), and Autostrade (the autoroute system). ENI (National Hydrocarbons Corporation) control the petroleum and natural gas sector, notably AGIP (petroleum products), and much of the chemical industry.

One important exception to the holding company approach is embodied in ENEL, the state electricity authority. ENEL operates independently from IRI and the other public groups, and is responsible directly to the Government through the Minister of Industry and Commerce.

One can appreciate the impact of public sector investments on the direction of the economy in light of the totals of direct investment for 1970. IRI, ENI and the other holding companies together invested about $2 billion, while ENEL invested some $1 billion. In this way development priorities among industrial sectors and geographic regions are being implemented and it is also possible to stimulate economic expansion in general.

ENEL (the state electricity authority) is a major borrower on domestic and international capital markets. Its investments are financed from these sources and from internally generated earnings.

The state holding companies are financed from four sources: internally generated earnings; capital endowment from the Government; bond issues on the capital market (anywhere from 10 to 30 per cent of investment capital) and bank financing (about 18 per cent in 1970). Self-financing from earnings account for between 30 and 45 per cent, and government endowment between 10 and 20 per cent. This latter source forms a significant element in the Government's budget and comes from the Ministry of State Participation. Its size is influenced by such considerations as the earnings performance of public sector industries and by decisions as to the extent to which economic growth should be stimulated.

Southern Italy, or the "Mezzogiorno," is one of the least developed regions in Europe. The Government has for decades taken steps to reduce the huge disparity between north and south through widespread incentive programs, but with limited success. Industries in the public sector were formerly required to locate 60 per cent of their new investments in the southern area. This requirement has been increased to 80 per cent by recently enacted legislation. A good example of major industrial complexes developed in the south are the steel works in Taranto which are well integrated into the Italian economy, perhaps more so than some other industries developed in that region. The Ministerial Committee for Economic Planning is particularly concerned about the investment decisions of publicly held corporations as they affect southern Italy.

State ownership in industry is well established in Italy. What began as assistance to key sectors of the economy that were facing considerable difficulties during the depression has become an ever increasing degree of state participation in a broad variety of industrial sectors.

Profit is not necessarily the principal objective of the state-held companies, although it is the key criterion for evaluating efficiency and performance. In their normal commercial activities the state-owned firms are relatively free of government direction and can deal with problems such as regional disparities and pollution in the context of the Government's policies while still retaining operating autonomy. When a state-owned firm finds itself in difficulty, the Government through its holding company intervenes with experts and funds in accordance with the nature of the regional, employment, and production problems involved. The eighth state holding company (GEPI) was recently created with an initial budget of $200 million to take control of firms experiencing serious financial problems and playing an important economic and social role in their own regions. This has added a new dimension to state participation in Italian industry.

The sustained economic growth since the war would not have been achieved to the same degree without widespread state ownership of industry. A great deal of progress has been made in setting social and economic priorities and to a lesser extent in narrowing regional gaps through the medium of government participation. Although the control of industry by foreign interests is not a large problem in Italy, the Government has been able to exercise direct control over foreign ownership by having its large holding companies enter into partnership arrangements with foreign firms for investment projects in Italy. In addition, intervention by the state to obtain a majority holding has in some cases been aimed specifically at preventing the foreign takeover of a private Italian firm.

Businessman's Bookshelf

Facts on Living and Working Condions in Algeria.

If you have to spend some time in Algeria and like your drink before dinner, it seems that you will have three choices open to you: accept that you will go deep into debt (a 25-ounce bottle of whisky will cost you about $25); drink wine, which is excellent and does not cost much; or decide to live like a monk and drink nothing but the local mineral water called Saida.

These tidbits of information you will find, among a lot of other perhaps more pertinent details, in a booklet prepared by Joan M. Pendrill for foreigners living or going to live in Algeria. Information on office rental, income tax, customs duties, work permits, visas, public transportation, car rentals and repairs are all there — even a comparison of prices between beef and lamb. Do you need a dentist, or a pediatrician? The booklet will tell you that Dr. Ben el Kadi and Dr. Benallegue have their offices in the same building. A full-time servant will cost you between $75 and $80 a month. But did you know that you must also pay for your servant's social insurance? You will find in this booklet of 77 pages just about everything you want to know about before going to live in Algeria.

There is one thing, however, of which one might be critical. *Facts on Living and Working Conditions in Algeria* looks like an offset reproduction of the typewritten page, yet costs $5 plus 95 cents for handling and mailing. If you are prepared to pay that price, you can order it from the author, Joan M. Pendrill, 1214 Foxbar Road, Ottawa, Ontario.

Do's and Don'ts of Carrying Out Business in Poland

Castle Square in Warsaw, looking down Nowy Swiat Street.

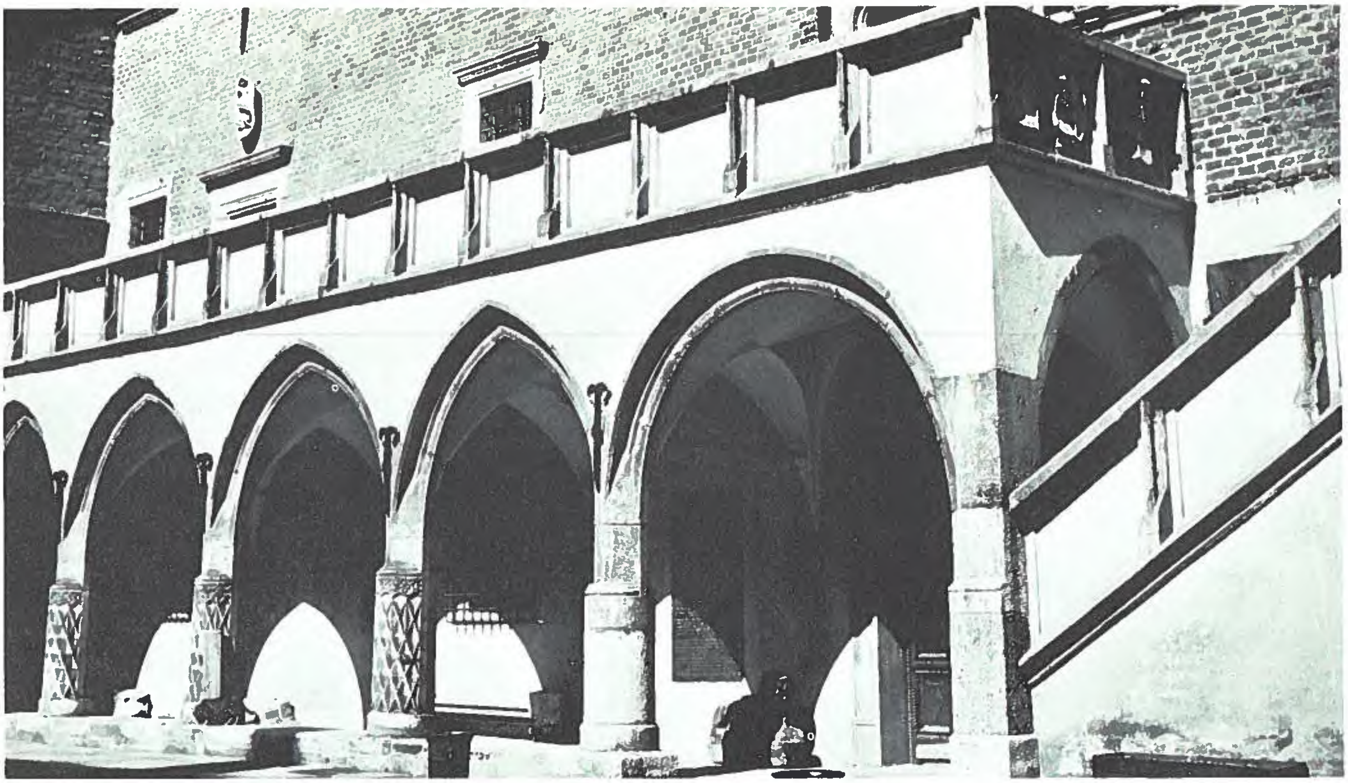
HOWARD R. WILSON, Commercial Secretary, Warsaw

Carrying out business in Poland will almost automatically mean a trip to Warsaw. The highly centralized nature of the Polish economy requires most of the orgànizations involved in foreign trade to be located in the capital. A few foreign trade enterprises are located outside Warsaw — those handling mining and metallurgical equipment in Katowice, fish products in Szczecin, textiles and clothing in Lodz and marine equipment in Gdansk — but the majority of them, all Government Ministries and most of the industrial organizations are in Warsaw.

With its wide, clean streets and many parks, Warsaw is one of the loveliest cities in Europe. It was badly damaged during the Second World War and by 1945, over 90 per cent had been reduced to rubble. Now rebuilt much as it was before the war, the Old Town and surrounding areas are a tribute to the character of the Polish nation.

There are a number of things to keep in mind when planning a visit to Warsaw. The most important is that Canadian requires a visa to visit and that this cannot necessarily be obtained on arrival. Application for a visa can be made ahead of time at any Polish Consulate or Embassy. Keep in mind that processing an application takes time. If you are travelling in Europe when you decide to visit Poland, contact first the nearest Polish commercial counsellor's office, saying who you intend to see while in Poland.

As in many capitals, hotel accommodation is at a premium and in Warsaw the difficulties of obtaining a room are acute. An increasing number of travellers plus a shortage of hotels mean it is best to make your reservation as far in advance as possible. There are only three hotels in Warsaw operated by the Polish Travel Office, ORBIS. These are the Europejski (ul. Krakowskie Przedmiescie 13 — phone 26-50-51, telex 813615), deluxe category; the Grand (ul. Krucza 28 — phone 29-40-51, telex 813422), first class, and the Bristol (ul. Krakowskie Przedmiescie 42-44 — phone 36-32-41, telex 813587), first class. The rates for a single with bath at the Europejski are 575 zloties (about $15 at the tourist exchange rate); and at the Grand and Bristol, 445 zloties (about $12). An Intercontinental hotel is under construction but will not be completed until 1974.



The 600-year-old library of the University of Krakow.

To ensure that your time is spent to best advantage we suggest, unless you already have your own contacts, that your appointments be set up through the Embassy's Commercial Office. With a little background on your interests, the Embassy can easily make appointments with the responsible individuals in the foreign trade enterprises and industrial organizations.

Probably you will come by air, landing at Okecie, on the edge of Warsaw. From there it is a short taxi ride of less than 20 minutes to your hotel. Airport entry procedures are reasonably fast but perhaps longer than in Western Europe. First, there is Passport Control. Then, after claiming your luggage, Customs Control. Here you are required to fill out a currency declaration listing the total amount of foreign exchange you are bringing into Poland. There is no limit on this amount and the form is just to provide a control over your subsequent currency exchanges while in the country. Currency can be legally exchanged at the airport or at any major hotel. The basic rate for a Canadian dollar is 22.65 zloties, to which a premium is added for businessmen and tourists, giving a total of 37.70. While in Warsaw, particularly around your hotel, you will find people willing to offer an exchange rate considerably better than the official one. Exchanging on the black market, however, is illegal and it is highly recommended that you stick to legal currency outlets. Polish currency cannot be taken out of the country but can be legally reconverted before departure.

After booking into your hotel, you are ready to make your first appointment. Taxis cannot be called for, but you can easily find one in front of any major hotel. Elsewhere throughout the city, marked taxi stands are numerous, or you can flag down a passing cab. All taxis are metered and rates are reasonable.

Neither English nor French is readily understood and you will need an interpreter, except in the bigger hotels and in your meetings with executives of the Foreign Trade enterprises, where either one or both of these languages is understood.

The Polish business day begins early and ends early, running usually from 7:30 a.m. until 3:30 p.m. with a half day on Saturday. The most likely time for an appointment would be between 9 and 10 in the morning because Poles work straight through lunch hour — the main meal of the day is eaten directly after work, at 4 or 4:30 — so we recommend a hearty breakfast. Usually you will be offered coffee or tea during a meeting or, very occasionally, Wignac, the Polish brandy. This is potent stuff, and a couple of them at 10 in the morning could upset the best-laid plans for a day.

You will probably have some free time and Warsaw has a number of interesting things to see and do. For sightseeing, there is the reconstructed Old Town; some of the parks, such as Lazienki; the Palace at Wilanov on the outskirts of the city and, if you're here over a weekend, Chopin's birthplace at Zelazowa Wola. Warsaw's cultural life is rich and varied, and the opera is particularly recommended. Built between 1825 and 1833, the Graet Theatre was damaged extensively during the Second World War and has been rebuilt, opening again in 1965. The stage is one of the largest and most modern in Europe. It is open every night except Monday and tickets can be obtained through your hotel.

As well as the main hotels, there are a number of other good places to eat, including; Kuznia Krolewska (Wilanow), ul. Wiertnicza 2; Krokodyl, Rynek Starego Miasto 19/23, and Duck Restaurant, in Old Town. Visitors shopping, particularly for souvenirs, can go to the CEPELIA shops for folk art and the DESA shops for modern art and jewelery. Most of them will accept foreign currency.

You will find Poles are skilled negotiators, adept at driving hard bargains. But, in keeping with Polish tradition, they are also gracious and hospitable.

Poland
Selected Foreign Trade Enterprises

Food and agricultural products

AGROS
ul. Zurawia 32/34, Warsaw
Preserved, fruits and vegetables, tobacco.

ANIMEX
ul. Pulawska 14, Warsaw
All animal products

ROLIMPEX
Al. Jerozolimskie 44, Warsaw
Grains.

RYBEX
ul. Odrowaza 1. Szczecin
Fish and fish products.

Raw materials and semi-fabricated products

CIECH
ul. Jasna 12, Warsaw
Chemicals.

IMPEXMETAL
ul. Wilcza 50/52, Warsaw
Non-ferrous metals and concentrates.

MINEX
Krakowskie Przedmiescie 79, Warsaw
Mineral products.

PAGED
Plac Trzech Krzyzy 18, Warsaw
Wood, pulp and paper products.

Industrial products

BUMAR
ul. Marchlewskiego 11, Warsaw
Construction equipment.

CENTROZAP
ul. Ligonia 7, Katowice
Complete plants and equipment for metallurgical industry; non-coal mining equipment.

ELEKTRIM
ul. Czackiego 15/17, Warsaw
Electrical apparatus

KOPEX
ul. Grabowa 1, Katowice
Plant and equipment for coal mining.

METALEXPORT
ul Mokotowska 49, Warsaw
Machine tools.

PEZETEL
ul. Przemyslowa 26, Warsaw
Engines and aircraft.

POLIMEX-CEKOP
ul. Czackiego 7/9, Warsaw
Plant and machinery for chemical, food processing, building materials and wood industries.

UNITRA
Al. Jerozolimskie 44, Warsaw
Electronic equipment.

Licences and knowhow

POLSERVICE
ul. Szpitalna 5, Warsaw

Bone up for IVORY COAST

Ivory Coast is becoming an interesting market for Canadian goods and services. Last year this Francophone African nation imported, among other things, aluminum alloys and products, log handling equipment, electrical transformers and parts, and pre-fabricated housing.

There are a number of points for you to remember as you make a business foray into this part of the world. First of all, you must have a visa. If you arrive without one you will be kept at the Abidjan airport unless the Canadian Embassy can obtain permission for you to enter the country. But that's not always possible, particularly on weekends.

You must have cholera and yellow fever inoculations and a current vaccination against smallpox. A TABT inoculation is also recommended.

Taxis are available at Abidjan airport and the average fare downtown is about 800 CFA francs (240 CFA = $1). Taxi fares around town are relatively cheap but drivers do not speak English. It helps if you know where you are going, or have written instructions on how to get there, because the drivers aren't always familiar with local addresses. In fact, your business visit will be much more fruitful if you can make yourself understood in French because few people speak English in Ivory Coast or in any of the other Francophone countries of Africa.

You can rent a car for between 2,700 and 4,000 CFA a day — depending on the type (Renault R4, R6, or R12). A deposit is required of 25,000 CFA for a week or less, or 40,000 CFA for more than a week. The first 50 kilometres are free, with charges for each additional kilometre. On top of the rental charges there is a 17.65 per cent tax and if you hire a chauffeur-driven car you must pay another 1,250 CFA a day. The Commercial Division can notify the car rental agency for you.

Providing we are given at least a week's notice, the Commercial Division can make hotel reservations for you as well as prepare a program of appointments. Finding accommodation is not usually a problem, except in October and November during conferences of political and international organizations. However, you shouldn't request business appointments too close to your scheduled arrival time because flights are often late (travellers are sometimes told that departure times depend "on when you finish your lunch").

The Commercial Division in Abidjan covers Upper Volta, Mali, Guinea, Niger, Senegal, Mauritania, Gambia and Liberia as well as Ivory Coast. For more information write to: Commercial Secretary, Canadian Embassy, P.O. Box 21194 Edifice Le General, coin Avenue du Commerce et Plateau Bottreau-Roussel, Abidjan, Ivory Coast.

Eighty Three Firms In One Container

WALTER ZYLA, Commercial Secretary, Sydney

The basic concept of the Consolidated Samples Show held last year in Australia is not entirely new. Preparations similar to other trade fairs, entailed the consolidation in Canada of a variety of sample products into one container destined for display to prospective agents abroad. But the way the promotion was put together, its low staging costs and even the fact that ultimately five tons of samples, representing 83 Canadian firms, were involved, made this a novel venture. It was unique also in that the entire display and promotion of the products was housed and run by the Trade Commissioners' Offices in Australia.

Appropriately, the scheme was originated in Australia. Here, with preferential tariffs and only the two major market centres of Sydney and Melbourne to focus on, the prospects for the introduction of Canadian products are good. Yet it was found that, because of the shipping distance, would-be exporters did not readily forward samples of their products. The cost of preparation of individual samples, documentation and minimum freight cost is often well in excess of the product's value and firms which otherwise would willingly dispatch samples are understandably reluctant to spend disproportionate amounts when export sales are not assured. By design, the Consolidated Sample show was as much a scheme to ship a wide range of products inexpensively as it was to display and promote them.

All in the line of duty, groans Walter Zyla (left), as he and Ron Sears, General Sales Manager of Brambles Int., unload the container of Canadian samples.

A consortium of interests brought about the promotion, and co-operation from all sides was exemplary. The Ontario Department of Trade and Development undertook and financed the consolidation and shipment by a forwarding agent of all the samples, which were willingly provided by Ontario firms. Within weeks of announcing the venture, the Ontario Department had received far more applications than could be accommodated in the one container scheduled. Firms proposing bulky samples that would not be shown in any office space — such as a pile driver — were turned down, leaving 83 firms with about 500 sample items for shipment. With containerization and professional invoicing by an international forwarder, the shipment from Toronto to Sydney, cleared through Customs, took only 22 days.

In Sydney, and two months later in Melbourne, unpacking and display was done entirely by the staffs of the Canadian Trade Commissions. Upturned packing cases covered with green felt became display counters and, by taking down a few partitions, the offices became trade centres. As only prospective agents and importers were invited to view the products, normal office routine was only minimally disrupted. The show ran for one month, both in Sydney and Melbourne, allowing ample time for any interested visitors.

On-site staging and promotion costs were borne by the Department of Industry, Trade and Commerce. It has been calculated that this amounted to about 2 per cent of what it would cost to display the same number of products through professionally organized trade fairs.

And the results? Approximately half a million dollars worth of new Canadian exports came to Australia within six months of the promotion.

The order of importance of the mistakes that we made in this trial run are easily seen in retrospect. Primarily, some of the firms should have been advised beforehand that their products, for various reasons, were not competitive and could not possibly be exported to the country. Others included samples too heavy or bulky for proper display in office space. Still others sent no accompanying literature or price lists, which confounds efforts to promote any given product. Most of these shortcomings could have been prevented by taking more time beforehand to clear with the firms all the details about their proposed samples.

The advantages of consolidated samples shipments and this in-office type of display are obvious, however. The consolidation and documentation costs, bulk customs clearance and container shipping all save time and money. The promotion can be timed to begin and end according to the response of the trade, and the range of products to be displayed is totally unrestricted, in contrast to most trade fairs. On-site competition from other exporting countries is avoided, yielding the same effect as a solo national fair — usually a costly proposition. What is more, trade staff find it much easier to follow up any expressions of interest when on their own premises than in the often impersonal surroundings of a showground.

Most important, this type of promotion helps those Canadian firms that may not find it profitable to enter the trade fairs in a country as far away as Australia. And the potential cost benefit of participating in a Consolidated Samples show could prove to be very high.

Any Canadian firms interested in participating in future Consolidated Samples show should contact the nearest Regional Office of Industry, Trade and Commerce or, if the show is to be in Australia, write to the Commercial Counsellors in either Sydney or Melbourne.

Harry Horne, extreme right, Commercial Counsellor at the Sydney office looks over some of the displays with other staff members and visitors at the first day of the Consolidated Samples show in Sydney, Australia.

Design Canada

INDUSTRIAL DESIGN SCHOLARSHIPS 1973-74

The National Design Council and the Department of Industry, Trade and Commerce offer scholarships for graduate and post-graduate studies in Industrial Design to:

- **Design** students who have successfully completed an Industrial Design course at a recognized school;
- **Designers**, employed in industry, who have demonstrated ability in Industrial Design but who do not have a recognized degree or diploma;
- **Designers**, holding a degree or diploma, who want to amplify their design studies on a post-graduate level;
- **Designers**, holding a degree in Industrial Design, who wish to specialize in teaching.

Deadline for submissions is April 30, 1973.

For application forms, write to:

Registrar,
'Design Canada' Scholarships,
Department of Industry, Trade and Commerce,
Ottawa, Ontario. K1A 0H5

Help for Industry
Support Revives Shipbuilding

DAVID MAGEE, Assistant Editor, Canada Commerce

There was a time when Canada ranked as one of the world's maritime powers. About 100 years ago, hundreds of Canadian ships sailed every ocean carrying every kind of cargo. Some of the finest merchantmen of the great age of sail were built in Canada.

The picture is different today. To steal a line from that song about the old grey mare, Canadian shipbuilding just ain't what it used to be. But private initiative and federal government programs are helping to rebuild and re-shape the industry.

Canadian shipyards are eligible for all general types of assistance offered by the Department of Industry, Trade and Commerce and some financial assistance has been given to shipyards for modernizing their facilities. This general assistance is reinforced by several measures directed specifically to shipbuilding. They involve subsidies for domestic ships, grants for ships that will be exported and assistance under the Income Tax Act, including provision for accelerated depreciation by the shipowner.

The Ship Construction Subsidy Regulations (SCSR) offer subsidies to ship builders. Last fiscal year these subsidies totalled about $8.5 million and the Department planned to make about $26.5 million available this fiscal year.

The subsidies are open only to Canadian companies or individuals who are Canadian citizens. The ships must be built for use by a Canadian citizen, a company founded in Canada or a Canadian municipality or province. The ships must be registered in Canada.

There are other factors. To be eligible ships must be primarily passenger or freight carriers or must be designed to service or maintain other ships or marine installations or to explore or produce underwater mineral resources.

A ship must have a capacity of at least 100 tons if self-propelled; 200 tons if not. Tugs must have at least 50-ton capacity and submersibles capable of operating at depths greater than 1,000 feet must have at least two-ton capacity. Fishing boats must be a minimum of 75 feet overall and must have a preliminary certificate of eligibility from the Department of the Environment, which determines if the boats are to be used for approved fishing activities and will be fitted out accordingly.

The subsidy for commercial ships is 17 per cent of total costs, while fishing boats may be eligible for 35 per cent. Applications for subsidies must be made within 60 days of the signing of the shipbuilding contract or the date construction actually begins — whichever comes first. Sometimes the 60-day limit is extended for special cases.

Payments of subsidies are made in either lump sums or instalments but whatever form payment takes, the builder gets only 80 per cent of the total before the ship is completed. The builder can expect to open his account book to the Department of Industry, Trade and Commerce for two years after final payment.

The Department also grants funds to help Canadian ship builders compete on world markets. These are provided through the Shipbuilding Temporary Assistance Program (STAP) for commercial or scientific ships for registration abroad. For a ship under 25,000 G.R.T., the grant is 15½ per cent of approved costs; for a bigger ship it is 12½ per cent.

Two other types of assistance have helped put considerable work into Canadian shipyards over the past decade. One scheme entitles the first owner of a Canadian-built ship to take full depreciation in only three years.

Accelerated depreciation facilitates financing of new construction and encourages Canadian ship owners to order from domestic yards. It has also made it possible for companies to have ships built for lease to commercial operators and fishermen.

The last measure, involving proceeds of disposition, is particularly helpful to owners wanting to carry out ship conversions in Canadian yards. This assistance was originally administered under the Canadian Vessel Construction Assistance Act but now comes under subsections 13(15) and 13(19) of the Income Tax Act. Proceeds of disposition have also been used to reduce costs to owners of newly-built vessels ranging from small fishing boats to Seaway-size bulk carriers. It happens that proceeds of disposition are sometimes more valuable to owners than subsidies.

For more information contact: Chief, Ship Financing Division, Aerospace, Marine and Rail Branch, Department of Industry, Trade and Commerce, Ottawa K1A 0H5.

Trade Lines

Argentine aluminum due in 1974
Argentine Government officials have announced that they expect the aluminum plant, now being built at Puerto Madryn, will begin production early in 1974. By the end of the year, output is expected to reach a level of 140,000 tons annually, making the Puerto Madryn plant the largest producer of aluminum in Latin America and one of the nine largest in the world—Buenos Aires

Singapore gets loan from Japan
Singapore is to receive a $30 million loan from Japan to finance equipment purchases for the Sungei Senoko electricity plant, expansion of electricity transmission and distribution systems, redevelopment of the General Hospital and a waste disposal project. The Senoko power station will cost an estimated $100 million and will be financed in part by a loan from the Asian Development Bank. First units of the station are expected to start functioning in 1974. When completed, Senoko will be the largest of Singapore's five electricity stations. This is the second government-to-government loan from Japan—Singapore

Oil refinery project studied in Hong Kong
The Shell Company of Hong Kong Ltd. is studying the feasibility of building a $250 million oil refinery on Lamma Island. The firm now has refineries in Singapore, the Philippines, Malaysia and Japan, but there is an under-capacity situation in the refining sector in the Far East. Supplying refined oil to southern China, or refining crude oil from China are two eventualities being examined—Hong Kong

Japanese study Zaire rail route
Japanese consultants have visited Zaire to do a preliminary study on a railway which would run from the Port of Matadi to Banana on the Atlantic. The purpose of the railway is to relieve the congestion at the Port of Matadi through development of a deep-sea port at Banana—Kinshasa

Hong Kong building trade centre
Hong Kong's $21.5 million trade and convention centre, expected to be ready in 1974, comprises a 40-storey tower over a central five-storey podium which will house "common user" facilities, including a convention hall for 2,000 people (with audio-visual facilities and simultaneous multi-channel translation equipment), a banquet hall for 1,000 and three floors of indoor parking. The tower block will sit back from the main road to afford a view of the harbor for an adjacent hotel—Hong Kong

Iraq examines phosphate potential
The National Iraqi Mineral Company (NIMCO) and the U.S.S.R. are studying feasibility of undertaking phosphate exploration in the western desert of Iraq. Soviet experts are charting a desert road, as well as water sites, electricity and telephone lines. They will also carry out topographical surveys and soil analysis.

Completion of studies is expected by June 1973 after which interested international companies are expected to be invited by Iraq to submit proposals concerning phosphate exploration and marketing—Beirut

Coke, pig iron output increases in the Netherlands
The operating company Hoogovens Ijmuiden BV of Estel NV Hoesch-Hoogovens has announced that production has begun at a new coke plant and a seventh blast furnace at Ijmuiden, increasing Ijmuiden's capacity to more than six million metric tons a year. The coke plant will have an annual output capacity of 1.4 million metric tons and the furnace, 2.5 million tons of pig iron. The installations cost about $61 million—The Hague

Hotel boom in Hong Kong
To accommodate an ever-increasing stream of tourists, Hong Kong's hotel industry is building 1,000 new hotel rooms annually and the number of hotel rooms is expected to rise to 15,400 in 1976 from 7,700 in 1970. The occupancy level last year was 84 per cent. Among the large hotels slated to open are the 600-room Furama for Hong Kong's central district and, in 1974, a 922-room Sheraton and a 644-room Holiday Inn. In 1975, a 1,400-room hotel on the Kowloon water front is planned and in 1976, a 1,000-room hotel within a "Chinese-style complex"—Hong Kong

Mexican steel pipe plant to expand
Mexico's only seamless steel pipe producer, Tubos do Acero de Mexico, S.A., plans to invest some $12.5 million in expanding its Veracruz plant. The expansion includes installation of a fourth electric furnace to boost the company's annual ingot steel production capacity to 400,000 metric tons from 300,000—Mexico City

Stockholm's hotel prices triple
A recent study of the structure of Sweden's industry has shown that prices have gone up three-fold in Stockholm since 1967. The average rate for a single room in Stockholm (with bath, radio and TV) now exceeds $16.50 a night with an extra 75 per cent charge levied for a double room. This compares with an average of 50 per cent for Sweden as a whole —Stockholm

Sea Playground for Hong Kong
An education-oriented "oceanarium" is being built near the former fishing village of Aberdeen, Hong Kong, at a cost of some $14 million. To be called the Ocean Park Complex, it will be among the largest of its kind in the world when completed in 1975. The Park will be divided into two main areas: facilities for showing trained marine animals, and a landscaped picnic area. Visitors will cruise along a 2,600-foot waterway in 20-seat boats through a series of pools, by waterfalls, caves and observation tanks. Educational facilities will include a marine laboratory and a marine museum—Hong Kong

Hong Kong may build more abattoirs
The Government is expected to expand slaughterhouse facilities in Hong Kong by building two new abattoirs by 1980. More than 7,000 pigs are brought daily from the People's Republic of China to feed the Colony's expanding population. The Government originally entered the abattoir field for public health reasons—Hong Kong

New wood pulp mill for Australia
A $70 million wood pulp plant on the northwest coast of Tasmania is being planned by Associated Pulp and Paper Mills Limited of Australia. The new mill, with a capacity of 200,000 tons a year, will be the largest of its type in Australia. Construction is expected to start in 1976 and production in 1978—Melbourne

Hong Kong may extend sewage treatment facilities
Hong Kong's sewage system still consists solely of primary screening and submarine outfalls which rely upon tidal action to cleanse the harbor and surrounding sea waters. But because of the increasing population, the situation may change within the next 10 years, and estimates are that several hundred million dollars will be spent by the Colony on sewage treatment plant and equipment—Hong Kong

Be prepared to

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