February

Canada Commerce

1974

Canadian equipment sails for Turkey

The first shipment of Canadian equipment for the Cinkur zinc project in Turkey, worth about $1,215,000, left Montreal in December aboard the S.S. Leninogorsk. The equipment was procured by the consulting firm of Surveyer, Nenniger & Chênevert Inc. (SNC Inc.) of Montreal, project manager of the $42 million EDC-financed refining complex under construction near Kayseri, Turkey.

The rear dump trucks, tractors, front-end unloaders and grader shipped in December were built by GM/Terex in London, Ontario, and will be used at the mine to supply zinc ore to the electrolytic refining, rolling and casting facility. Consignments of Canadian equipment are expected to total $15 million before the project is completed in 1975. SNC's project management contract includes design, procurement, construction supervision and commissioning services.

Canada Commerce

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In This Issue

There is an important world market just south of Lake Ontario. You can find agents there who will buy direct from you to sell to their clients, and their clients come from all over the world. Where is this place? New York City.

Our New York office describes these buyers for export in a short article on page 7. Obviously they should not take the place of your own Canadian export agent — and Canada has many excellent agents — but if you cannot find a suitable one or if you don't want to set up a permanent representative, then these New York buyers may well be the answer you are looking for.

In these days of fuel shortages driving a car to work may soon become, if not a thing of the past, at least an expensive luxury. Mass transit (commuter trains, buses and undergrounds) appears to be one answer, and the Philadelphia office has undertaken a survey of surrounding cities to find out what is being planned in this field. Millions of dollars are going to be spent in the mid-Atlantic regions of the United States for both equipment and components, and there appears to be worthwhile opportunities for Canadian firms. According to the article on page 8, the Canadian trade officers in Philadelphia have already contacted the senior officials of most of the transit companies in the area, and are now waiting to hear from Canadian businessmen.

This month we again publish as a service to our readers a directory of foreign commercial representatives in Canada. Together with this directory, there is a listing of Trade Commissioner Posts and the countries in which they handle Canadian trade matters, and of the relevant Divisions of the International Bureaux that are responsible within the Department's head office in Ottawa. We suggest you keep both these directories for handy reference. They provide useful information.

Another useful information source is the Technical Information Service of the National Research Council. You can find out more about it by turning to page 11.

COVER PHOTO: The Turbo Train, courtesy Canadian National Railways.

Articles

70

We are now 70 years old. Watch for our Special Issue.

Industry, Trade and Commerce / Industrie et Commerce

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Publié aussi en français.

Wanted: Canadian Equipment for Indonesian Mining Projects

ROBERT SANDOR, Commercial Secretary, Djakarta

In April last year a press release appeared in Canadian and other international papers. It stated that contracts had been awarded to the Dravo Corporation, Pittsburgh, and to Montreal Engineering Ltd. for the engineering and construction of facilities for the lateritic nickel project that P.T. International Nickel Indonesia, a subsidiary of the International Nickel Company of Canada Ltd., is establishing at Soroako on the Indonesian island of Sulawesi. The total project cost of the first phase is estimated at more than $135 million. This project, which will produce about 30 million pounds of nickel a year and employ a work force of 1,100 Indonesians, presents an excellent opportunity for Canadian sales of a wide range of equipment, from safety supplies to mining machinery. It is expected that many Canadian companies will be able to compete effectively for such business because of their advanced technology gained through experience in the Canadian mining industry.

Approximately 700 miles to the northeast of Sulawesi, in West Irian on Gag Island, personnel of P.T. Pacific Nikkel Indonesia have just completed the initial exploration and feasibility stages for another nickel-bearing laterite project. P.T. Pacific Nikkel is a consortium of United States Steel Corporation, Internatio-Mueller N.V., Koninklijke Nederlandsche Hoogovens en Stalfabrieken, N.V., Newmont Mining Corporation and Sherritt Gordon Mines Ltd. It is expected that the plant required for this project will be capable of producing 100 million pounds of nickel annually. Once again, the plant, townsite, machinery, loading facilities and power plant will be sourced largely from abroad. These are just two of the more interesting projects in what is becoming a dynamic growth sector in Indonesia.

There will be other opportunities, and those manufacturers who can establish themselves now will find the rewards over the next few years when other mining developments are implemented. The opportunities are vast when it is realized that only about 10 per cent of Indonesia's geological resources have been mapped and analyzed.

Hard mining has always been one of Indonesia's main foreign exchange earners. The country has large deposits of exportable minerals such as tin, bauxite, nickel ore and copper. However, there has been and will continue to be a shift from tin as the leading export item to copper and nickel as new productive facilities are completed. It is notable that, since the introduction of the Basic Mining Law (1967), licences have been issued to 327 holders of mining rights, of which 248 are nationals. Because of the heavy exploration costs necessary to determine the value of a holding, however, most of the major exploration activity has been undertaken by foreign firms and, in some instances, under technical co-operation projects. The national mining policy acknowledges that the development of mineral resources can best be achieved through co-operation with the private sector, particularly foreign.

The basic philosophy underlying the present mining activity in Indonesia is that all minerals and mineral deposits are national assets controlled by the State for the maximum benefit of the people. Thus, under certain terms and conditions, the Government, through the Minister of Mines, will issue permits entitled "Mining Authorization". Foreign companies may obtain exclusive rights to conduct mineral exploration and development on the basis of a "Contract of Work" under which the company, duly incorporated in Indonesia, is appointed sole contractor to mine certain minerals within the relevant contract area. Usually this exclusive right includes general survey, exploration development and processing, transportation and marketing stages of an operation. The contractor has full management and control of the operations and the full responsibility for financing the project.

Each contract of work ensures that the contractor undertakes to promote Indonesian development goals, such as building infrastructure, and employment and training of Indonesians at various levels. The Government, through the Department of Mines or one of its agencies (state enterprises), acts as a supervisor to ensure that the contractor fulfills his legal obligations.

Since the inception of the first Five Year Plan (1969-74), the mining sector has experienced steady growth in terms of production, value of exports and the amount of capital investment. However, it will be in the second Five Year Plan that these investments (approximately $1 billion) will be generating large amounts of foreign exchange. As an example, in 1968 the export value of bauxite, tin and nickel combined was approximately $56 million. In 1972, this had increased to $88 million.

More activity is expected as further areas are explored. Indonesia and Belgium have just concluded a technical co-operation agreement valued at $1.09 million for geological surveys and exploration in West Kalimantan and for research and development of mineral deposits. Other bilateral and multilateral donors include the United Nations Development Program, Australia, United States, Austria, Netherlands, Belgium, Britain, Japan, France and New Zealand. The assistance ranges from the supply of drilling and geological equipment to surveys and industrial research. Canada, through the Canadian International Development Agency, is giving consideration to a geological mapping and evaluation project covering an area of about 37,500 square miles in East Kalimantan.

Canadians can supply these mining ventures and the townsites that go with them. To ensure that your equipment, machinery and other supplies will receive favourable consideration, it will be necessary for you to liaise with the Department, the procurement agencies at P.T. Pacific Nikkel and P.T. International Nickel, and with the project

Traditional fishing boats make ready near Djakarta.

engineers. They should receive f.o.b. as well as c.i.f. prices, approximate delivery times, adjustments required for tropical conditions, and information on adjustments needed. It is not too late to ensure that your equipment will be used in these two projects which will have a significant Canadian element. And if you want more information, write to the Commercial Secretary, Canadian Embassy, Djalan Budi Kemuliaan No. 6, Djakarta, Indonesia.

Timber comes big from the Indonesian forests.

New rules on investment in Indonesia

ROBERT SANDOR, Commercial Secretary, Djakarta

On May 26, 1973, President Soeharto approved Decree No. 20 which established the Co-ordination Agency for Capital Investment, or BKPM as it is commonly known. Directly responsible to the President, the Agency is charged with forming and implementing policy relating to investment in Indonesia, both foreign and domestic. It was formed to handle the more complex type of investment being planned, to ensure co-ordination between government departments and to speed up the processing of an application and, therefore, the realization of the project. Previously, the applicant had to deal with about 16 different agencies, now he has only to deal with BKPM.

BKPM's predecessor, the Foreign Investment Board, had coped with a phenomenal increase in foreign investment applications in sectors ranging from mining and forestry to tourism and industries. Approved applications by the end of December 1972 totalled over 540 projects valued at more than $2.2 billion (excluding the petroleum sector). Given that the Foreign Investment Law No. 1 of 1967 was the departure point, it is evident that many foreign investors have quickly taken advantage of the investment opportunities.

BKPM's main function is to evaluate and to examine applications for capital investment (foreign/domestic) within the parameters of the foreign investment regulations and the National Development Plan. It is charged with the co-ordination of the licences and approvals required from the various government departments and agencies, and forwards the scrutinized applications to the President for final approval. It is empowered to supervise the execution of the project until its inauguration. Finally, in addition to promoting investment and providing guidance to prospective investors, it can make policy recommendations at any time to the Government to further improve the system. The direct influence of the BKPM is derived by virtue of the fact that the various co-ordinators are at the same time deputy ministers of the major departments of government normally involved in processing the applications.

What must the prospective investor do before he is allowed to invest his money in an Indonesian project? First he must contact the co-ordinator for capital investment promotion for in-depth information on the feasibilities of capital investment in Indonesia. He must then submit a letter of intent to the co-ordinator for administration and control of the central co-ordinating body describing the parameters of the project and requesting approval in principle.

The co-ordinator then forwards it to the chairman of the co-ordinating body for his decision. If the request is granted, the prospective investor should immediately submit a complete project proposal to the co-ordinating body by filling out an application form, including a master list of equipment and materials to be imported; a list of foreign manpower needs; a capital investment location plan, and other appropriate information. He should also at this time get a notary in Indonesia to draw up papers for the establishment of a corporate body (limited liability company).

If the project is approved by the BKPM, the chairman of the co-ordinating body forwards a written recommendation to the President for his approval. If the President says yes, then the departments involved will issue the permits, about ten of them. These are forwarded to the prospective investor by the co-ordinator for administration and control.

The costs for all this are charged to the investor.

Mining and Forestry — Because of their special nature, the procedures for foreign capital investment requests in mining (exclusive of oil) and in forestry are different. In the case of requests for foreign capital investment in mining, the prospective investor, besides observing the current regulations and manners in mining, must submit a project proposal to the co-ordinating body, including a survey permit, a survey agreement, and the result of the work contract negotiations with the committee charged with the job by the Department of Mining.

Requests for foreign capital investment in forestry require the prospective investor to submit a project proposal to the co-ordinating body, including recommendations on the forest exploitation area, a survey report regarding the concession involved and a survey agreement according to the current regulations.

There are opportunities for Canadian investors either in licensing, joint ventures or, in certain areas, direct ventures. Several Canadian firms are involved in Indonesia with investments in forestry, aluminum, fabrication, shoe manufacturing, mining, petroleum, and banking. Indonesians would like to see more Canadian involvement in Indonesia because Canadians have the expertise they want. Of course, there are various benefits, tax holidays, exemptions and allowances which vary according to the nature of the investment.

Inquiries should be forwarded to the Commercial Section of the Canadian Embassy in Djakarta, or to the Office of the BKPM at Co-ordination Agency for Capital Investment, 7, Jalan Cut Mutiah, Djakarta, Indonesia. Telephone: 45692/48280. Interested Canadian investors can also contact the Export Development Corporation, 110 O'Connor Street, Ottawa K1P 5T9, for further details. □

Indonesia At A Glance

Area: three and a half million square miles, including 3,000 islands; the main ones, or groups, being Sumatra, Java, Kalimantan (Borneo), Sulawesi, Nusatenggara (Lesser Sunda Islands and Bali), the Moluccas and Irian Barat.

Climate: tropical, rainy season October to March.

Population: 120 million.

Language: Bahasa Indonesia; English spoken in major cities by most government officials and businessmen.

Principal cities: Djakarta, Surabaja, Bandung, Medan.

Currency: rupiahs, freely convertible; 100 rupiahs equal approximately 25¢. Rupiahs may not be taken into or out of the country, and can be bought at Kemajoran airport.

Health certificates: an international health certificate of inoculation against smallpox and cholera mandatory; inoculations against typhoid and para-typhoid strongly urged.

Visa: required, with valid passport; tourist visas valid up to 30 days.

Customs: personal effects exempt from duty; up to 200 cigarettes or 50 cigars, and pipe tobacco up to 500 grams (about 17½ ounces) duty-free; one unopened bottle of liquor plus another with contents partially depleted duty-free. Gift articles and souvenirs taken out of the country exempt from export duty.

Office hours: commercial and business from 8 a.m. to 4 p.m. Monday through Friday and 8 a.m. to 1 p.m. on Saturday; government offices open 8 a.m. to 3 p.m. Monday through Thursday, 8 a.m. to 11 a.m. on Friday and 8 a.m. to 12 p.m. on Saturday.

Taxis: difficult to get; normal fare from Kemajoran airport to Djakarta city centre approximately 700 rupiahs. Visitors are advised to rent taxi by the hour, metered or not, as radio taxis too few to meet demand.

Tipping: 100 rupiahs per bag is normal amount for porters or bellboys. Some hotels and restaurants add 10 per cent tax plus 10 per cent service charge.

Airport tax: 600 rupiahs for domestic travel and 800 rupiahs for international travel, collected at airport on departure. □

Modern buildings and tree-lined streets greet the visitor to Djakarta. This is the Central Office for Agriculture

New York's Buyers for Export

D.H. LEAVITT, Consul and Trade Commissioner, New York

You may well ask what a "buyer for export" is. The simple answer is that he is an agent who buys not for his own use but for other people, primarily overseas. Direct export sales are not the only export sales. New York is the centre for hundreds of well established export agents who represent principals from all over the world, primarily for sales outside North America. There are also many purchasing offices for international corporations and foreign governments located in New York.

The Consulate General in New York has long considered that the extensive operations of the New York exporting community offer an excellent additional avenue for Canadian export sales to third countries. Why have an export agent based in New York? Obviously the first choice of a Canadian firm would be to seek representation in Canada by one of the many excellent domestic export agents. However, if an adequate and suitable Canadian firm is not available the manufacturer might consider appointing a company based in New York.

Export agents have a specialized knowledge of a commodity or product and in many cases an intimate knowledge of a particular area of the world. Some of these companies maintain branch offices overseas. These agents can thus become another avenue to serve those areas of the world where an exporter does not have, or does not intend to set up, permanent representation.

The various types of companies, the products handled, and the areas of concentration that are included within this New York export community enable the interested Canadian manufacturer to select the most appropriate contact for him. Some firms are export merchants who purchase goods and assume credit risks; others are intermediaries who find a buyer but do not take title to the goods. Some act as buying offices for foreign companies, making purchases out of New York for overseas clients. Large corporations have centralized buying offices in New York with responsibility for some or all of their corporate purchases throughout the world.

Although it is impossible to generalize about or to classify all of these operations, the foregoing provides some idea of the scope and variety of the export community covered by the New York "Buyers for Export" program.

The Commercial Division of the Canadian Consulate General in New York maintains contact with many of the companies engaged in this type of export business. The 1973 edition of the *Directory of New York Buyers for Export* is the fifth edition of this publication (the previous one appeared in 1969) and lists more than 200 firms of the type described. Under the name and address of each company is the name and telephone number of the officer to contact and the list of the products handled for export and the market in which the firm primarily operates. Terms of payments and basis for quotation are also listed. Firms and products are both indexed alphabetically. Every effort has been made to ensure that only firms of satisfactory commercial standing are included, but no responsibility, of course, can be accepted for their integrity and financial standing. Credit references are, however, provided for each company.

In compiling the new edition, this office contacted all the firms listed and the directory contains only those companies who indicated an interest in representing Canadian firms or in receiving quotations from Canadian manufacturers for their requirements. We will be pleased to send your company a copy of this directory at no charge. We also suggest that you let this office know of your intention to do business through a New York intermediary and we will then be able to recommend the most appropriate firms and provide more specific data on their operation and commercial standing. If you write directly to any of the firms listed we would appreciate receiving a copy of your correspondence so that we can follow up on your behalf.

These buyers for export have expressed an interest in representing or purchasing a wide range of Canadian products, from toys, textiles and pharmaceuticals to machinery, auto parts and minerals. These companies can become part of your sales force and are as near as your post box.

For your copy of the directory, write to: Deputy Consul General (Commercial), Canadian Consulate General, 1251 Ave. of the Americas, 16th Floor, New York, N.Y. 10020, U.S.A. □

A Nap at Noon

How important is sleep? According to Dr. Uros Jovanovic, a researcher from Wurzburg University Psychiatric Hospital in the Federal Republic of Germany, people who do not take a mid-day nap achieve less than those who do.

Dr. Jovanovic claims that the drop in performance begins around noon and reaches its peak at about five o'clock in the afternoon. Those who take a nap (between 15 minutes and half an hour) around noon overcome this drop in performance and will remain fresh until late in the evening.

About 19,000 road deaths occur annually in Germany, and researchers believe that many could have been prevented if the drivers had been able to take a nap at noon. After a hard day at the office without any opportunity of taking a mid-day snooze, drivers are too tired to react quickly enough to dangerous road situations. □

Mass Transit on the Move

STANLEY A. COHAN, Commercial Officer, Philadelphia

Our love-hate affair with the private automobile has resulted in multiple ribbons of highway encircling America's urban areas which, in effect, have become nooses slowly strangling movement. The suction effect of expressways leaves streets not serving these thruways almost as vacant as rural lanes, while the expressways and the city streets they dump into are periodically jammed to the point of immobility.

Without accompanying public transport, the movement of people, goods, services and emergency services in urban areas would come to a virtual halt. Yet, during the past 40 years, and especially since World War II, instead of expanding public transportation facilities, the United States, in common with a lot of other countries, appears to have adopted the philosophy that the express highway is the solution to the urban mass transportation problem. This has resulted in the most complex, expensive and regressive mode of transportation yet devised by man, according to some experts.

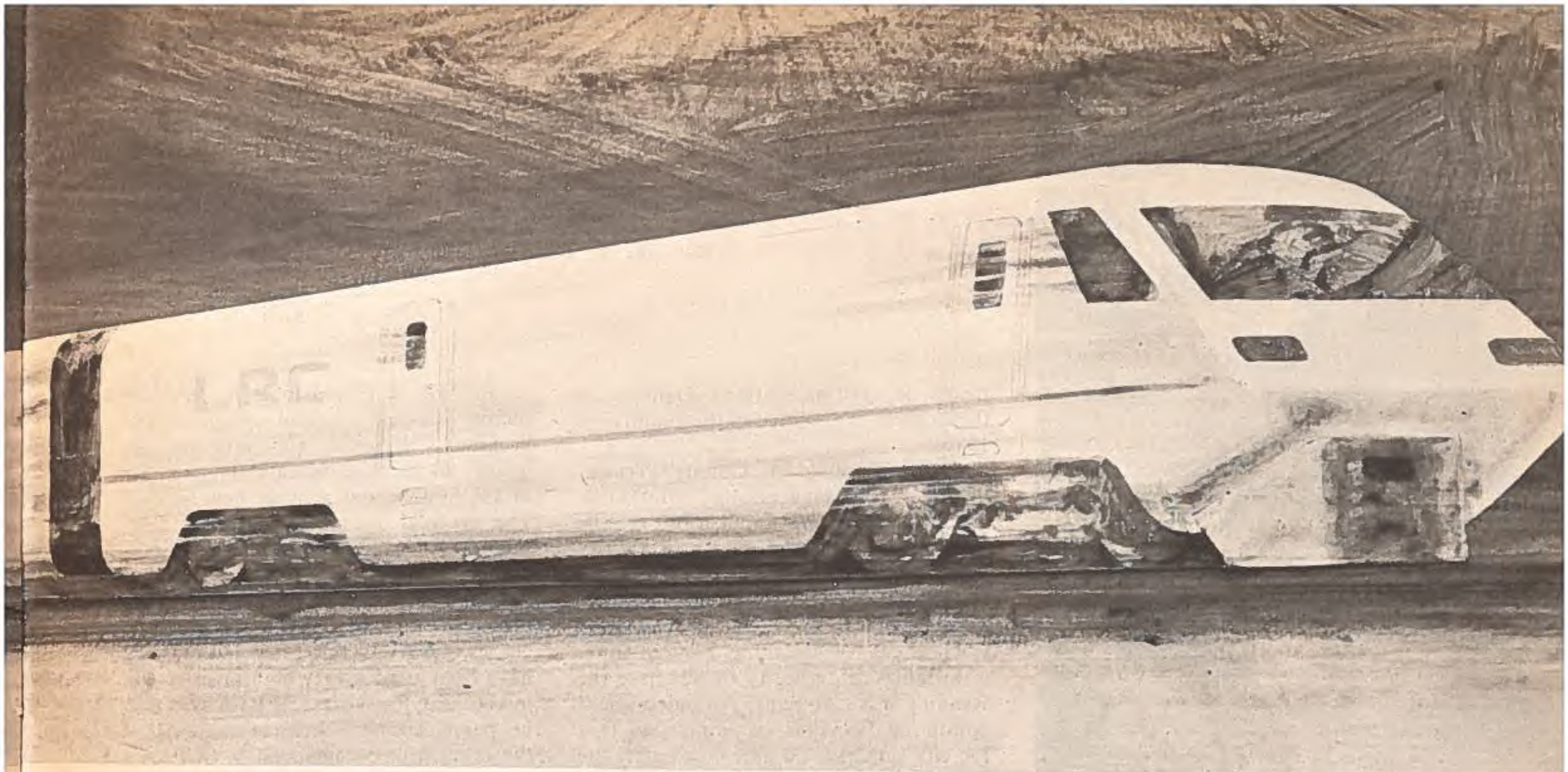
European cities are well ahead of U.S. urban areas in recognizing and coming to grips with the problems faced in moving large groups of people swiftly, comfortably and efficiently in overcrowded cities. According to figures published by the International Transportation Union, the Paris Metro carries 60 per cent of the city's population; the London Underground carries 31 per cent. By contrast, the Chicago Transit Authority carries only 5.4 per cent of the city's population and the Southeastern Pennsylvania Transportation Authority (SEPTA) carries less than 4 per cent of Philadelphia's population. Since 1940, there has been an uninterrupted downward trend in the U.S. of the number of passengers carried in urban public transport.

The problems that complicate the job of the transit authorities include spiralling costs reflected in rising payroll expenses and higher prices of electricity, fuel and supply items; the necessity of keeping old railroads, streetcars and buses running beyond their normal lives; and difficulties in obtaining replacement parts, which often necessitate cannibalizing other over-age vehicles, or using inefficient parts manufactured by shop personnel.

But a new infusion of meaningful funds from the U.S. Federal Government and imaginative concepts by urban planners are providing the means by which transit systems can move people to their jobs within the framework of a moderate fare structure and an efficient public transportation system. The Federal Aid Highway Act of 1973 allows, for the first time, money to be diverted from the Highway Trust Fund to help meet the needs imposed by the demands for a modern series of transit systems. The Bill includes four of five transit proposals supported by the American Transit Association: 1. transit use of the Highway Trust Fund; 2. a $3 billion increase in funding authority for the Urban Mass Transportation Authority's capital grant program, bringing it up to $6.1 billion; 3. a fixed federal (80 per cent) and local (20 per cent) matching ratio (the ratio was formerly $66\frac{2}{3}$:$33\frac{1}{3}$ per cent) and 4. up to 100 per cent federal funding for transit planning.

The revitalization of America's transit systems has developed into a three-pronged attack: development of new transit technology, establishment of completely new systems, and large-scale purchases of capital equipment for existing systems. Examples of each are to be found in the mid-Atlantic states.

In Philadelphia, Boeing Vertol, a division of the Boeing Company, was selected by the U.S. Department of Transportation to manage the development and demonstration of two rapid rail transit cars, representing the latest advances in the current state of the art. These cars are now undergoing tests at the U.S. Department of Transportation's High-Speed Ground Center at Pueblo, Colorado, and will soon be demonstrated in New York, Philadelphia, Chicago, Cleveland and Boston. The company is also under contract to develop and demonstrate an advanced form of an urban rapid rail train to incorporate features beyond today's technology. Subcontracts on this vehicle have been given out to Garrett, General Electric, LTV, and Rohr. Originally there were two car designs under consideration, but this has been expanded to four. In addition, Boeing has on the drawing board plans for a super train to compete with Amtrak's Metroliner. They claim that if they are awarded a contract in the very near future, the new train could be operational by 1976.



Dial-a-Ride, or DAR as it is known, has been inaugurated on an experimental basis in over a dozen communities in the United States and Canada. The suburban community of Haddonfield, New Jersey, has had DAR in operation for over a year and is being used to feed riders to a commuter railroad. At the present, DAR is only attracting about 3 per cent of the total journeys made in the Haddonfield area, but acceptance is growing.

To use the system, the customer telephones the control dispatcher and tells him his point of origin, his destination and the number of passengers. The dispatcher assigns a vehicle to handle the request either manually or with computer help, and tells the customer how long the wait will be. By radio, he tells the driver of the assigned vehicle to make the pick-up.

In July 1971, the Mass Transit Administration (MTA) of Baltimore, a branch of the Maryland Department of Transportation, was given the responsibility for carrying out the planning and construction of a rapid transit system for the city. The ultimate aim is a regional system to serve six corridors of metropolitan Baltimore. Transit lines will radiate from the centre of the city and stretch out along the northeastern, southern and western corridors of the area.

The system will be developed in stages. The first segment, or Phase I, with its target date of 1978, will cost more than $656 million and is now under construction. It will include the first 28 miles of the system, radiating into the northwest and southern sectors. Twenty stations will be built, all served by a bus feeder system. Approximately seven miles of the system, mostly in the central portion, will run underground. Another seven miles will be elevated and the remainder at ground level.

Work on Washington's rapid transit system has been in progress for several years, and the first phase of service will begin this year. The 98-mile system will operate on its own right of way, with 47 miles and 53 of the 86 stations underground. To preserve the environment, most of the underground portions are in the more densely populated areas of the region. Of the 51 miles on the surface, 30 miles will be constructed on existing railroad rights of way or in the medians of highways. The remaining 21 will be an aerial structure, mostly on grade separations and bridges.

To ensure the success of the system, 30,000 parking spaces will be provided at the various stations. A "Bus 'n Ride" scheme will provide a co-ordinated bus feeder system and enable wide neighbourhood coverage. Officials estimate that two thirds of the system's passengers will use a bus to get to or from their station. There will also be car lanes and short-term parking near station entrances, allowing easy pick-up and drop-off.

In Allentown, Pennsylvania, the Lehigh and Northampton Transportation Authority (LANTA) has recently been reviewing bids on new buses submitted by Flexible and General Motors. A senior LANTA official was quite candid in discussing the possibility of going to Canada for suppliers. He stated that the purchase of the 59 buses would be their only major purchase of capital equipment for several years. However, he was prepared to meet at any time with suppliers who may have something new and innovative to offer.

An artist's impression of the Canadian LRC (light-weight, rapid, comfortable) passenger train, developed for high-speed inter-urban service by Alcan-Dofasco-MLW. It is designed to run at 120 mph on existing track.

In Baltimore, for procurement purposes, the transit system project will be divided into several major contract areas, such as: (a) structural (tunnels, bridges, platforms, station shelves, etc.); (b) rolling stock (estimated 106-120 surface and subway cars); (c) communication and train control systems; (d) other electrical equipment; (e) track; (f) fare collection equipment; (g) escalators; (h) station finishing (tiling, decoration, etc.). These areas will account for more than 100 separate major contracts. All RT cars will be purchased from one source. The first major contract, which will be for tunnel liners, will be awarded in 1974.

The Lindenwold, New Jersey, Hi-Speed Line (operated by the Port Authority Transit Corporation, a subsidiary of the Delaware River Port Authority, Camden, New Jersey) will be expanded by 300 per cent in the next decade. An initial request for $24 million has been approved, of which $18 million will be used to buy 45 new cars and the balance for construction of a new station at Woodcrest and improve-

ments on existing stations. Delivery of the first car is expected in the summer of 1975.

The Washington County Transit Company in Hagerstown, Maryland, has submitted an application to the Urban Mass Transportation Authority for a grant to purchase 14 new buses (seven 33-passenger and seven 23-passenger).

The city of Reading, Pennsylvania, is forming an authority to purchase the Reading Bus Company. An independent consulting firm has recommended that the city purchase 50 new buses after the formation of the authority. Federal and local money has been approved. The Virginia Transit Company in Richmond has had no new buses in five years but is expected to put out bids for 76 in 1974.

SEPTA in Philadelphia has a $1.54 billion six-year capital improvement program, designed to improve the quality of service, increase the capacity of the system and provide new service. The six-year program earmarks $745 million for projects to increase the reliability and efficiency of the system. Another $117 million will be used to increase the capacity of the system. Purchases of 600 new buses and 144 rail cars have been given a very high priority and in the next few years, SEPTA will also be purchasing 350 streetcars. Some of the other projects included in SEPTA's six-year plan are station modernization, a rail line from centre city to the airport, conversion of freight lines to passenger service and extension of existing lines. A capital budget for the fiscal year ending June 30, 1974, contains 15 projects with a total estimated cost of $272 million.

The Washington Metropolitan Area Transit Authority will purchase 556 rapid transit cars. The first contract ($91.6 million) for 300 Metro cars was awarded in June 1972 to Rohr Industries (producers of BART-San Francisco). The first 60 vehicles will be delivered in June this year, with the balance to be delivered through 1976. But the remainder are still to be bought.

Obviously, the future for mass transit in this area of the U.S. holds considerable promise for Canadian designers and manufacturers of transit equipment and components who are willing to include this potential in their long-range marketing plans.

We have recently talked with senior officials of most of the transit companies operating in the mid-Atlantic region and are now waiting to hear from Canadian businessmen so that we can set up appointments for them and give them more information about these developments. □

This 10-year-old photo of downtown Philadelphia shows relatively uncrowded streets, a far cry from conditions mentioned in this article.

T.I.S. Serves Canadian Industry

The Technical Information Service was formed in 1945 as part of the National Research Council. In association with various Provincial Research Councils or Foundations it provides a free service to secondary or processing industries. This includes providing technological information on properties and processing of materials, efficient operation of manufacturing facilities, new industrial developments and results of scientific research.

Technological developments

The flood of scientific and technical literature in the form of journals, textbooks, reference books, reports, papers and articles published in many languages by the industrialized nations of the world poses problems for Canadian manufacturers. They have difficulty maintaining a comprehensive collection of the material available or, for that matter, finding time to make an adequate selection of information.

The National Science Library, operated by the NRC, is always receiving a large and varied selection of the world's technical literature. This is readily accessible to industry directly or through the Canadian library network.

The Technological Developments Section of T.I.S. gives special assistance in covering this material by selecting items having immediate or future application to Canadian industry. These are sent to companies as checklists of titles and digests in abstract form. *Tech Briefs*, on which the abstracts are based, as well as other information, also are provided. The selection is made by professional engineers with production experience, based on industry's own evaluation of its needs.

Items covered include: research results of industrial importance, engineering developments, improved processes or techniques, potential products and worthwhile innovations.

Technical inquiries

T.I.S. has answered many thousands of questions from Canadian industry, particularly small and medium-size firms with limited or non-existent engineering and research staff or technical library facilities. Large firms also make frequent use of T.I.S. because the vast amount of material in technical periodicals, journals and scientific reports makes it difficult, if not impossible, for their technical staffs to keep fully informed on developments.

T.I.S. handles inquiries related to building practice and standards, chemical engineering, chemical products, construction materials and methods, control engineering, electrical engineering, electronics, food and food technology, materials specifications standards, mechanical engineering, metallurgy and many other fields.

Industrial engineering

Many companies use special staff, trained in industrial engineering methods and techniques, to develop systems for improving effectiveness of company managerial functions, office administration and production operations. These same methods can also help small manufacturers.

The Industrial Engineering Section of T.I.S. helps such companies accomplish this, on a do-it-yourself basis, by providing information on these techniques and assistance in applying them. It may also advise on suitable training for company staff or the employment of consultants where required.

Experienced industrial engineers from T.I.S. Field Offices visit individual companies on request to advise them on how to collect relevant facts and data from company personnel and records, how to analyze this material so as to diagnose and identify problem areas and what corrective action to take.

Typical areas covered are: methods improvement, work measurement, value analysis, plant layout, materials handling, equipment utilization, organization, production planning and control, quality and cost control.

To obtain T.I.S. assistance write to: Technical Information Service, National Research Council of Canada, 100 Sussex Drive, Ottawa K1A 0S3. Detail your company's problem or information requirements and state what steps have already been taken, such as contacting suppliers or other sources of information. The more that is known about a firm and its problems, the more effectively it can be assisted. □

New Zealand National Bank Study

The National Bank of New Zealand Limited has published a new booklet to accompany one produced in 1971. The new booklet, *The Law and Taxation of Mining Companies in New Zealand*, becomes a companion volume to the earlier *Mineral and Oil Exploration and Exploitation in New Zealand*.

The National Bank says that the first booklet was well received throughout the world and the second is expected to enjoy equally widespread acceptance. Both publications should be of interest to any organization considering investment in mining ventures in New Zealand.

The Law and Taxation of Mining Companies in New Zealand covers the Mining Acts of 1926 and 1971, Petroleum Act 1937, Bauxite Act 1959 and the Iron and Steel Industry Act 1959, as well as company regulations and taxation regulations. Write to the General Manager's Office, The National Bank of New Zealand Limited, P.O. Box 1791, Wellington, New Zealand.

Something to think about

Where are we headed?

E.C. BUTTON, Managing Editor

You have turned off the television and are smoking that last cigarette. The details of the 11 o'clock news fade away and only vague impressions remain. An entire country is slowly starving to death. The energy crisis. Pollution. Armed conflicts. Unarmed conflicts. Something to think about.

Something to think about. Where are we headed? Are all these events chance and temporary? Are they merely current and isolated happenings, and will pass? Or are we seeing the tip of an iceberg? More and more people are wondering — more and more dialogue, more and more printed words are appearing on the subject. Here at *Canada Commerce* we thought that some of our readers are becoming more aware and more concerned, and so we did some research into the literature. We are not saying there is a problem, nor do we say there is no problem at all. And if there is we can offer no solutions. Neither does some of the literature. But it may be of interest — something to think about.

Just about now a good many of you readers may be thinking that all this is true, all this is, of course, very important and very vital. Some may even admit it is something to think about — but — how does it relate to my 9 to 5 day? Can it be applied to my work, my department, or my company?

Perhaps it can. Many of you are vitally concerned with the future. You make decisions based on how you and your colleagues assess the future. Some of you will even make decisions that will affect the future. You make decisions that chart the future for your industry. You commit the now based on what you feel the tomorrow will be.

The subject of our world as a total system comprising many interrelated systems first gained significant publicity through a study commissioned by the Club of Rome. Founded in 1968 by Aurelio Peccei, an Italian economist and businessman, the Club of Rome is an informal organization of scientists, humanists, economists and industrialists of many countries. In 1970 the Club commissioned professors at the Massachusetts Institute of Technology to do a study of global evolution, using a computer model to simulate the interaction of population, resources, pollution, economics and food production. The results of this study was published in 1972 under the title *The Limits to Growth*. Much academic discussion and debate followed. The report has been praised and damned. The projection methodology employed has been accepted by some and questioned by others. The conclusions have caused alarm and have been condemned as doomsday prophecy.

What does the report *The Limits to Growth* say? Are its predictions truly valid, or is it a modern-day doomsday prophet as the critics have said? The study that led to *The Limits to Growth* was complex. Too complex for most of us to fully understand and comment on. We did find one quote from one of the associates involved in the study, Dennis Meadows, which sums up the study in very simplistic terms — "growth cannot continue indefinitely on a finite planet". The credentials of the members of the Club of Rome and of those who did the study are impressive. But so are those of its critics. The arguments on both sides are equally convincing.

But if we step aside from the debate for a moment, if we turn off for a moment the myriad of opinions and counter opinions and just consider the subject as a whole, then perhaps we have something to think about. Maybe we are still incapable of predicting where we are going, but some are at least trying to predict where we seem to be going, based on where we have been. Perhaps, if growth is to continue indefinitely, it will be up to those whose decisions today will determine tomorrow.

While looking into this subject we developed the following bibliography. By no means complete, it will, in our opinion open the door for those of you who have become fascinated, curious, or concerned. Whether you agree or disagree with the concepts and opinions expressed in the literature, you will at least have to agree it is — something to think about.

Reading List

Dasman, R.F., *Planet in Peril?* Penguin Books Ltd., London, 1972.

Lamontagne, Hon. Maurice, "The Conflict Between Man and Nature", in *Economic Growth Reassessed*, O.J. Firestone ed. University of Ottawa Press.

Meadows, Dennis and Donella, *The Limits to Growth*. Universe Books, New York, 1972.

Meadows, Dennis and Donella, *Toward Global Equilibrium:* Collected Papers, Wright-Allen Press, Cambridge, 1973.

Peccei, Aurelio, *The Chasm Ahead*. Collier-Macmillan, London, 1969.

Rocks, Lawrence and Runyon, Richard P., *The Energy Crisis*. Crown Publishers Inc., New York, 1972.

The Futurist, Vol. V, No. 4, August 1971, pp. 137-156.

Unesco Courier, January 1973, pp. 4-13.

Geographical Listing for Exporters

Need information on foreign markets? You can get it from the Trade Commissioner posts around the world, or from the International Bureaux in Ottawa. This breakdown tells you which TC post and which Bureau Division is responsible for the country in which you are interested.

Country	TC Post	Division
Afar and Issas, Territory of the (Fr. Somaliland)	Nairobi	Africa
Afghanistan	Islamabad	Asia
Albania	Vienna	Eastern Europe
Algeria	Algiers	Africa
Andorra	Paris	Western Europe
Angola	Johannesburg	Africa
Arab Republic of Egypt	Cairo	Africa & Mid East
Argentina	Buenos Aires	Latin America
Aruba (see Netherlands Antilles)		
Australia	Sydney Melbourne Canberra	Pacific
Austria	Vienna	Western Europe
Azores	Lisbon	Western Europe
Bahamas	Kingston	Caribbean
Bahreïn	Beirut	Africa & Mid East
Balearic Islands	Madrid	Western Europe
Bangladesh	Bangkok	Asia
Barbados	Port-of-Spain	Caribbean
Belgium	Brussels	Western Europe
Belize	Kingston	Caribbean
Bermuda	New York	Caribbean
Bhutan	New Delhi	Asia
Bolivia	Lima	Latin America
Bonaire (see Netherlands Antilles)		
Botswana	Johannesburg	Africa
Brazil	Brasilia Rio de Janeiro Sao Paulo	Latin America
Britain	London Glasgow	Britain
British Solomon Islands	Sydney	Pacific

Country	TC Post	Division
Brunei	Singapore	Asia
Bulgaria	Vienna	Eastern Europe
Burma	Kuala Lumpur	Asia
Burundi	Kinshasa	Africa
Cameroon	Kinshasa	Africa
Canal Zone	San José	Latin America
Canary Islands	Madrid	Western Europe
Cape Verde Islands	Lisbon	Africa & Mid East
Cayman Islands	Kingston	Caribbean
Central African Republic	Kinshasa	Africa
Chad	Kinshasa	Africa
Cbile	Santiago	Latin America
China, People's Republic of	Peking	Asia
Christmas Island	Sydney	Pacific
Cocos-Keeling Islands	Sydney	Pacific
Colombia	Bogota	Latin America
Comoro Islands	Johannesburg	Africa
Congo (Brazzaville)	Kinshasa	Africa
Cook Islands	Wellington	Pacific
Costa Rica	San José	Latin America
Cuba	Havana	Caribbean
Curacao	(see Netherlands Antilles)	
Cyprus	Tel Aviv	Africa & Mid East
Czechoslovakia	Prague	Eastern Europe

Country	TC Post	Division
Dahomey	Lagos	Africa
Denmark	Copenhagen	Western Europe
Dominican Republic	San Juan	Caribbean
Ecuador	Bogota	Latin America
Egypt (see Arab Republic of Egypt)		
El Salvador	Guatemala City	Latin America
Equatorial Guinea	Madrid	Africa
Ethiopia	Nairobi	Africa
Falkland Islands	Buenos Aires	Caribbean
Federation of Arab Emirates	Beirut	Africa & Mid East
Fiji	Sydney	Pacific
Finland	Stockholm	Western Europe
France	Paris	Western Europe
French Guiana	Port-of-Spain	Western Europe
French Oceania	Wellington	Pacific
French Somaliland (see Afar and Issas)		
Gabon	Kinshasa	Africa
Gambia	Abidjan	Africa
Germany	Bonn Duesseldorf Hamburg	Western Europe
Ghana	Lagos	Africa
Gibraltar	London	Britain
Gilbert and Ellice Islands	Wellington	Pacific
Greece	Athens	Western Europe
Greenland	Copenhagen	Western Europe
Guadeloupe	Port-of-Spain	Western Europe
Guatemala	Guatemala City	Latin America
Guinea, Republic of	Abidjan	Africa
Guyana	Port-of-Spain	Caribbean
Haiti	San Juan	Caribbean
Honduras	Guatemala City	Latin America
Hong Kong	Hong Kong	Asia
Hungary	Budapest	Eastern Europe
Iceland	Oslo	Western Europe
India	New Delhi	Asia
Indonesia	Djakarta	Pacific
Iran	Tehran	Africa & Mid East
Iraq	Beirut	Africa & Mid East
Ireland, Republic of	Dublin	Britain
Israel	Tel Aviv	Africa & Mid East
Italy	Rome Milan	Western Europe

Country	TC Post	Division
Ivory Coast, Republic of	Abidjan	Africa
Jamaica	Kingston	Caribbean
Japan	Tokyo	Pacific
Jordan	Beirut	Africa & Mid East
Kenya	Nairobi	Africa
Khmer Republic	Bangkok	Asia
Korea	Seoul	Asia
Kuwait	Beirut	Africa & Mid East
Laos	Bangkok	Asia
Lebanon	Beirut	Africa & Mid East
Leeward Islands	Port-of-Spain	Caribbean
Lesotho	Johannesburg	Africa
Liberia	Abidjan	Africa
Libya	Cairo	Africa & Mid East
Liechtenstein	Berne	Western Europe
Luxembourg	Brussels	Western Europe
Macao	Hong Kong	Asia
Madeira	Lisbon	Western Europe
Malagasy Republic	Johannesburg	Africa
Malawi	Lusaka	Africa
Malaysia	Kuala Lumpur	Asia
Mali, Republic of	Abidjan	Africa
Malta	Rome	Western Europe
Martinique	Port-of-Spain	Western Europe
Mauritania, Republic of	Abidjan	Africa
Mauritius	Johannesburg	Africa
Mexico	Mexico City	Latin America
Monaco	Paris	Western Europe
Morocco	Madrid	Africa
Mozambique	Johannesburg	Africa
Muscat and Oman	Beirut	Africa & Mid East
Nepal	New Delhi	Asia
Netherlands	The Hague	Western Europe
Netherlands Antilles	Caracas	Caribbean
New Caledonia	Sydney	Pacific
New Hebrides (British-French Condominium)	Sydney	Pacific
New Zealand	Wellington	Pacific
Nicaragua	San José	Latin America
Niger, Republic of	Abidjan	Africa
Nigeria	Lagos	Africa

Country	TC Post	Division
Northern Ireland	Glasgow	Britain
Norway	Oslo	Western Europe
Okinawa (see Ryukyu Islands)		
Pakistan	Islamabad	Asia
Panama	San José	Latin America
Papua and New Guinea	Sydney	Pacific
Paraguay	Buenos Aires	Latin America
Persian Gulf Area	Beirut	Africa & Mid East
Peru	Lima	Latin America
Philippines	Manila	Pacific
Poland	Warsaw	Eastern Europe
Portugal	Lisbon	Western Europe
Portuguese Guinea	Lisbon	Africa
Puerto Rico	San Juan	United States
Qatar	Beirut	Africa & Mid East
Reunion	Johannesburg	Western Europe
Rhodesia	Johannesburg	Africa
Romania	Vienna	Eastern Europe
Rwanda	Kinshasa	Africa
Ryukyu Islands	Tokyo	Pacific
St. Helena	Cape Town	Africa
St. Pierre and Miquelon	Boston	Western Europe
Sâo Tomé and Principe	Lisbon	Africa
Saudi Arabia	Beirut	Africa & Mid East
Scotland	Glasgow	Britain
Senegal, Republic of	Abidjan	Africa
Seychelles Islands	Nairobi	Africa
Sierra Leone	Lagos	Africa
Sikkim	New Delhi	Asia
Singapore	Singapore	Asia
Somali Republic	Nairobi	Africa
South Africa, Republic of	Johannesburg Cape Town	Africa
Spain	Madrid	Western Europe
Spanish Sahara	Madrid	Africa
Sri Lanka	Colombo	Asia
Sudan	Cairo	Africa & Mid East
Surinam	Port-of-Spain	Caribbean
Swaziland (Ngwane)	Johannesburg	Africa
Sweden	Stockholm	Western Europe
Switzerland	Berne	Western Europe
Syria	Beirut	Africa & Mid East
Tahiti	Wellington	Pacific
Tanzania	Nairobi	Africa
Thailand	Bangkok	Asia
Togo	Lagos	Africa
Tonga	Wellington	Pacific
Trinidad and Tobago	Port-of-Spain	Caribbean
Tunisia	Algiers	Africa
Turkey	Ankara	Africa & Mid East
Turks and Caicos Islands	Kingston	Caribbean
Uganda	Nairobi	Africa
United Kingdom	(see Britain)	
United States	Washington Atlanta Boston Buffalo Chicago Cleveland Dallas Detroit Los Angeles Minneapolis New York Philadelphia San Francisco Seattle United Nations (New York)	United States
Upper Volta, Republic of	Abidjan	Africa
U.S.S.R.	Moscow	Eastern Europe
Uruguay	Buenos Aires	Latin America
Venezuela	Caracas	Latin America
Vietnam	Bangkok	Asia
Virgin Islands (Br.)	San Juan	Caribbean
Virgin Islands (U.S.)	San Juan	United States
Western Samoa	Wellington	Pacific
Windward Islands	Port-of-Spain	Caribbean
Yemen Arab Republic	Beirut	Africa & Mid East
Southern Yemen, People's Republic of	Beirut	Africa & Mid East
Yugoslavia	Belgrade	Eastern Europe
Zambia	Lusaka	Africa
Zaire, Republic of	Kinshasa	Africa

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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 International Bureaux, 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.

Note: The following rates were current at January 16. Because of unsettled market conditions exporters should consult their bankers for up-to-date quotations.

Country and Currency	foreign currency unit in Canadian dollars	Canadian dollar in foreign currency units
Algeria		
Dinar	.2380	4.20
Arab Republic of Egypt		
Pound (official)	2.5377	.39
Argentina		
Peso (financial)	.0995	10.05
(commercial)	.1986	5.04
Australia		
Dollar	1.4734	.68
Austria		
Schilling	.0478	20.92
Bahamas		
Dollar	.9930	1.00
Belgium and Luxembourg		
Franc	.0231	43.29
Bermuda		
Dollar	1.0397	.96
Bolivia		
Peso	.0497	20.12
Brazil		
Cruzeiro (official free)	.1602	6.24
Britain		
Pound	2.1657	.46
British Honduras		
Dollar	.6078	1.64
Burma		
Kyat	.2062	4.85
Chile		
Escudo (bank rate)	.0028	357.14
(free)	.0013	769.23
China, People's Republic of		
Yuan	.4188	2.39
Colombia		
Peso (fixed)	.0412	24.27
Costa Rica		
Colon	.1497	6.68
Cuba		
Peso	N.A.[10]	
Czechoslovakia		
Koruna (fixed basic rate)	N.A.[10]	
Denmark		
Krone	.1469	6.81
Dominican Republic		
Peso	.9930	1.00
Ecuador		
Sumre (official)	.0399	25.06
El Salvador		
Colon	.3972	2.52
Fiji		
Dollar	1.1520	.87
Finland		
Markka	.2510	3.98
France, Monaco, etc.[1]		
Franc	.2014	4.97
French Pacific[2]		
Franc	.0110	90.90
Franco-African Republics[3]		
Franc	.0040	250.00
Germany		
D Mark	.3550	2.82
Ghana		
New Cedi	.8605	1.16
Greece		
Drachma	.0340	29.41
Guatemala		
Quetzal	.9930	1.00
Guyana		
Dollar	.4444	2.25
Haiti		
Gourde	.1986	5.04
Honduras		
Lempira	.4965	2.01
Hong Kong		
Dollar	.1953	5.12
Hungary		
Forint (official)	.0869	11.51
Iceland		
Krona (official)	.0100	100.00
India		
Rupee	.1203	8.31
Indonesia		
Rupiah	.0024	410.00
Iran		
Rial	.0134	74.63
Iraq		
Dinar	3.3542	.30
Ireland		
Pound	2.1657	.46

Country and Currency	foreign currency unit in Canadian dollars	Canadian dollar in foreign currency units
Israel Pound	.2364	4.23
Italy Lira	.0015	666.66
Jamaica Dollar	1.0923	.92
Japan Yen	.0033	303.03
Kenya[4] Shilling	.1379	7.25
Korea, Republic of Won	.0027	370.37
Lebanon Pound (free)	N.A.[10]	
Libya Dinar	2.777	.36
Malawi Kwatcha	1.2280	.81
Malaysia Dollar	.3952	2.53
Mexico Peso	.0794	12.59
Morocco Dirham	.2367	4.22
Netherlands Florin	.3382	2.96
Netherlands Antilles Florin	.5547	1.80
New Zealand– Dollar	1.3703	.73
Nicaragua Cordoba	.1419	7.05
Nigeria Naira	1.4700	.68
Norway Krone	.1646	6.08
Pakistan Rupee	.1003	9.97
Panama Balboa	.9930	1.00
Paraguay Guarani (free)	.0080	125.00
Peru Sol (free)	.0229	43.67

Country and Currency	foreign currency unit in Canadian dollars	Canadian dollar in foreign currency units
Philippines[5] Peso (free)	.1465	6.83
Poland Zloty (fixed basic rate)	.2577	3.88
Portugal & Overseas Provinces[6] Escudo	.0389	25.71
Saudi Arabia Riyal	.2850	3.50
Sierra Leone Leone	1.2371	.81
Singapore Dollar	.3358	2.98
South Africa Rand	1.4796	.68
Spain & Dependencies Peseta	.0172	58.14
Sri Lanka[7] Rupee	.1388	7.20
Sweden Krona	.2067	4.84
Switzerland Franc	.2952	3.39
Syria Pound (free)	.2711	3.69
Thailand Baht (free)	.0497	20.12
Trinidad & Tobago[8] Dollar	.4512	2.21
Tunisia Dinar	2.2817	.44
Turkey Lira	.0709	14.10
United States Dollar	.9930	1.00
Uruguay Peso (free)	.0011	909.09
Venezuela Bolivar (official free)	.2319	4.31
Yugoslavia Dinar (official)		N.A.[10]
Zaire, Republic of[9] Zaire	1.961	.51
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).

10. Rates not available at press time.

International Projects

BRAZIL — HYDRO POWER

The Inter-American Bank has approved an $84.5 million loan to help double the installed capacity of the Paulo Afonso hydro-electric complex on the Sao Francisco River to almost 3.8 million kilowatts by 1982. The project is vital to development of Brazil's underdeveloped northeast where the Brazilian Government is engaged in a major effort to raise living standards and foster industrialization.

The borrower is the Companhia Hidro Elétrica do Sao Francisco (CHESF), a government corporation developing the power potential of the river, which is the largest source of hydroelectric power in the region.

Implementing Organization: Companhia Hidro Elétrica do Sao Francisco (CHESF).

Procurement: International public bidding on all goods and services covered by the resources of the Bank loan. National public bidding on domestic purchases.

COLOMBIA — HYDRO POWER

The Inter-American Bank has approved a $48.5 million loan to help finance a project which will expand to one million kilowatts the capacity of a hydroelectric plant presently under construction in Colombia and will establish an operational system for the interconnected national electric power network.

The plant, being built about 100 miles northeast of Bogota will increase considerably the supply of electric services in central Colombia, where the country's main industrial centers are located and where more than 60 per cent of the population lives.

The loan was made to Interconexion Electrica, S.A. (ISA), an entity established in 1967 by Colombia's major electric power companies to interconnect their transmission systems and increase their joint generating capacity. The ISA will use the loan resources to finance the second stage of the Chivor Hydroelectric Power Plant, which will double the plant's initial capacity of 500,000 kilowatts.

Implementing Organization: Interconexion Electrica, S.A. (ISA).

Procurement: International public bidding among eligible member and non-member countries of the Bank on imported goods and services covered by resources of the Bank loan. National public bidding on domestic purchases.

REPUBLIC OF VIETNAM — TELEPHONES

The Asian Development Bank has approved blended loans — one conventional and one concessional — totalling $6.2 million for the Saigon Telecommunications Project, which will help the Republic of Vietnam meet an acute shortage of telephone facilities, especially in the Saigon metropolitan area. The 10,000-line cross-bar type telephone exchange to be financed under the project will be installed in Saigon, where 80 per cent of telephones in the country are located.

A USAID-financed Telecommunications Master Development Plan study has estimated that at the end of 1971, only about 20 per cent of the potential demand for telephones in the country was being satisfied and that it will take several years to satisfy existing demand and to catch up with the growth in demand. The project is one of several steps now being taken by the Government and the Vietnam Telecommunications Authority (VTA) to relieve the shortage and plan for development of a telecommunications network in the country on an orderly basis. A salient feature of the project is the advisory consulting assistance to be provided to strengthen VTA as an autonomous and commercially sound institution. The experts to be provided under the Project will include a financial management expert, an accounting expert, a manpower expert and a telecommunications tariff expert.

Implementing Organization: Vietnam Telecommunications Authority.

Consultants: The scope of the engineering consulting services includes advice and assistance in: checking traffic and subscriber forecasts and determination of design parameters: preparation of designs, specifications and tender documents for the procurement of materials and equipment; evaluation of bids and recommendations for awards of contracts; construction supervision and acceptance testing of materials and equipment; and training of VTA technical personnel.

The scope of the advisory consulting services will include (a) the engagement of a financial management expert to establish a financial management programme for VTA including budgeting and reporting systems; (b) an accounting expert to formulate a commercial accounting system for VTA and train key accounting staff; (c) a manpower planning expert to analyze the manpower resources and expansion programme of VTA so as to develop an appropriate manpower programme for VTA; and (d) a telecommunication tariff expert who will analyse the existing tariff structure and propose a rational tariff system for VTA.

Consultants will be selected by VTA in accordance with the Bank's Guidelines on Uses of Consultants by Asian Development Bank and its Borrowers. The engineering consulting services shall be financed under the loan from the Bank's Special Funds and selected from eligible source countries. The advisory consulting services shall be financed under the loan from the Bank's ordinary capital resources and selected from member countries of the Bank, including Luxemburg. Short lists of consultants are being prepared by VTA.

Procurement: The approximate quantities of materials and equipment to be procured under the Project will be (i) 10,000 lines of common control cross-bar type telephone switching equipment together with associated equipment, power plant, subscribers' meters, line test equipment and signalling equipment; (ii) assorted lengths of main and distribution cables required for the outside plant; (iii) subscribers' apparatus consisting of 16,000 telephone instruments, 1,000 lines of PABX equipment, distribution and access terminals; (iv) air-conditioning equipment and specialized electrical fittings for an exchange building to house the exchange equipment; and (v) specialized motor vehicles for the installation and maintenance of the outside plant.

The second sub-project, involving the Department of Labour (DOL), provides for training equipment for three new regional multi-purpose skills training centres to be built at Lampang, Si Racha and Ratchaburi and for additional training equipment for the National Institute for Skills Development, Bangkok.

Implementing Organization: Department of Labour, Ministry of Interior; Department of Vocational Education, Ministry of Education.

Consultants: will be financed under the proposed ordinary capital resources loan and are to be selected in accordance with the Bank's Guidelines on the Uses of Consultants.

Short lists of individual consultants are to be finalized.

Procurement: Under the proposed

Special Operations loan part (i) of the project will consist of teaching, training and laboratory equipment to equip classrooms, workshops and laboratories of four technical institutes in six technologies (Civil and Surveying, Electronics, Electrical Power, Metals, Machine Tools and Automotive); part (ii) of the project, will consist of teaching, training and laboratory equipment to equip workshops, classrooms and laboratories of the National Institute for Skills Development and three new regional multi-purpose skills training centres to teach the following main trades: welding, sheet metal work, blacksmithing, general fitting, plumbing, machine shop, radio and television repair, auto mechanics and farm machinery repair, refrigeration and air conditioning, electrical installation, fitting and appliance repair, and woodwork and building construction.

Under the proposed ordinary operations loan part (i) of the project will consist of teaching, training and laboratory equipment to equip classrooms, workshops and laboratories of four technical institutes in six technologies (civil and surveying, electronics, electrical power, metals, machine tools and automotive); part (ii) of the project, will consist of teaching, training and laboratory equipment to equip classrooms, workshops and laboratories of the National Institute for Skills Development and three new regional multi-purpose skills training centres to teach the following main trades: welding, sheet metal work, blacksmithing, general fitting, plumbing, machine shop, radio and television repair, auto mechanics and farm machinery repair, refrigeration and air-conditioning, electrical installation, fitting and applicance repair, woodwork and building construction.

Construction, installation and commissioning of the switching exchange equipment will be the responsibility of the supplier on a turn-key basis. The installation of the outside plant and the construction of the new exchange building will be the responsibility of VTA and will not be financed from the proceeds of the Bank loans.

Procurement for the materials and equipment under the Bank loans will be in accordance with the Bank's Guidelines for Procurement Under Asian Development Bank Loans. The outside plant, specialized air-conditioning and electrical facilities and specialized motor vehicles shall be financed under the loan from the Bank's Special Funds and shall be procured from eligible source countries. The automatic exchange equipment shall be financed under the loan from the ordinary capital resources and shall be procured from member countries of the Bank, including Luxemburg. All contracts for equipment and materials estimated to cost the equivalent of $50,000 or more will be awarded on the basis of international competitive bidding. The contracts estimated to cost less than $50,000 equivalent will be awarded on limited competitive bidding. It is anticipated that procurement will commence during the last quarter of 1974.

THAILAND — EDUCATION

The Asian Development Bank has approved two loans — one conventional and one concessional — totalling $6.4 million to Thailand for a vocational education project, that will assist upgrading and expanding vocational education in Bangkok and in growing industrial centres in other parts of the country. The two loans are the Bank's first involvement in the education sector in Thailand and include the first concessional loan to that country.

The project comprises two subprojects. Assistance to the Department of Vocational Education (DOVE) will finance the improvement of industrial technician training programs including the re-equipping of four technical institutes at Bangkok, Songhkla, Korat and Chiangmai and a teacher training program abroad.

Export Opportunities

The inquiries listed below come from several sources, including various Branches of the Department in Ottawa and from the Trade Commissioner Service posts abroad. More information on these items can be had by contacting the post at the address shown under each item.

Chemicals

JAMAICA — Industrial cleaners and solvents, other types of chemicals: Commercial Secretary, Canadian High Commission, P.O. Box 1500, Tobago Road, Corner Trafalgar Road and Knutsford Boulevard, Kingston 10.

MALAYSIA — Rubber chemicals: Commercial Secretary, Canadian High Commission, P.O. Box 990, A.I.A. Building, Ampang Road, Kuala Lumpur.

WEST GERMANY — Venice turpentine and oil: Minister-Counsellor (Commercial), Canadian Embassy, Friedrich-Wilhelmstrasse 18, 53 Bonn.

Electrical and Electronics

SWITZERLAND — Pocket flashlights, stereo headphones, household electric cable, cassettes, electronic calculators: Commercial Counsellor, Canadian Embassy, Kirchenfeldstrasse 88, 3000 Berne.

UNITED STATES — Two-sided printed circuit boards (solder mask goldfingers), power supply transformers (laminated and torroidal), electronic plastic keyboards for video CRT displays, plastic key caps: Canadian Consulate General, Commercial Division, 500 Boylston Street, Boston, Massachusetts 02116.

Equipment and Machinery

NORWAY — Marine navigational aids, especially high-intensity lanterns: Commercial Secretary, Canadian Embassy, Postuttak, Oslo 1.

Furniture

DENMARK — Wooden children's beds and play pens: Commercial Counsellor, Canadian Embassy, Prinsesse Maries Alle 2, Copenhagen V.

Textiles

SWITZERLAND — High and low-priced fabrics for men's wear, especially leisure wear: Commercial Counsellor, Canadian Embassy, Kirchenfeldstrasse 88, 3000 Berne.

Foreign Tariffs and Trade Regulations

Spain

Official Bulletin of Jan. 19, no. 17, publishes Decree No. 75/1974 from Ministry of Commerce announcing an across-the-board, 5 per cent reduction of import duties for three months, effective date of publication. Exceptions are: goods subject to import duties of less than 5 per cent, goods already duty-free, goods already subject to partial suspension of import duties as per Decree No. 2595/1973 concerning total or partial suspension of import duties on certain petrochemical products and Decree No. 2781/1973 suspending for three months the application of import duties on textile raw materials and products.

COLOMBIA

First Secretary and Consul
Embassy of Colombia
140 Wellington St., Suite 112
Ottawa K1P 5A2
Phone: 235-8803

Consul General of Colombia
1500 Stanley St., Suite 320
Montreal 110
Phone: 849-4852

Consul of Colombia
67 Yonge St., Suite 726
Toronto
Phone: 366-5092

Vice-Consul of Colombia
2705 West 22nd Ave.
Vancouver
Phone: 738-6710

COSTA RICA

Consulate of Costa Rica
1155 Dorchester W., Suite 4006
Montreal H3B 3V5

CUBA

Cuban Trade Commission
1415 Pine Ave. West
Montreal H3G 1B2
Phone: 845-0191

CZECHOSLOVAKIA

Trade Commission of the Czechoslovak Socialist Republic
1280 St. Mark St.
Montreal 108
Phone: 937-6331
Telex: 01-26590

DENMARK

Royal Danish Embassy
85 Range Rd., Suite 702
Ottawa K1N 8J6
Phone 234-0704, 234-0116, 234-4619
Telex: 053-3114

Royal Danish Consulate General
1245 Sherbrooke St. W., Suite 1525
Montreal H3G 1G2
Phone: 849-5391
Telex: 01-20315

Royal Danish Consulate
151 Bloor St. W.
Toronto M5S 1S4
Phone: 962-5661
Telex: 06-22032

Royal Danish Consulate
1201 West Pender St.
Vancouver 1
Phone: 681-3831
Telex: 04-352588

DOMINICAN REPUBLIC

Consul General of the Dominican Republic
5464 Victoria Ave.
Montreal 252
Phone: 738-1068

EASTERN CARIBBEAN COMMISSION
(Leeward and Windward Islands)

Commissioner, Eastern Caribbean Commission
14 Frontenac St., Place Bonaventure
P.O. Box 286
Montreal H5A 1B3
Phone: 866-7761

ECUADOR

Consul General of Ecuador
2603 Cote St. Catherine Rd.
Montreal 250
Phone: 733-9422

Honorary Consul of Ecuador
82 Heathcote Ave.
Willowdale 430 (Toronto)
Phone: 489-0910

Honorary Consul of Ecuador
2125 West 2nd Ave., Suite 311
Vancouver 9
Phone: 733-0891

EL SALVADOR

Embassy of El Salvador
100 Bronson Ave., Apt. 603
Ottawa K1R 6G8
Phone: 238-2939

Honorary Consul of El Salvador
1360 Yonge St.
Toronto
Phone: 924-5971

Honorary Consul of El Salvador
1090 Granville St.
Vancouver 2
Phone: 684-2554

FINLAND

Embassy of Finland
85 Range Rd.
Ottawa K1N 8J6
Phone: 236-2389

Trade Commissioner for Finland
1010 St. Catherine St. W., Suite 1101
Montreal 110
Phone: 866-2202

FRANCE

Commercial Counsellor to the French Embassy
10 John St.
Ottawa K1M 1P5
Phone: 233-5681
Telex: 01-33564

Commercial Counsellor of France
Place Bonaventure
P.O. Box 117
Montreal 114
Phone: 878-9851
Telex: 01-26428

Commercial Counsellor of France
185 Bay St.
Toronto
Phone: 362-1257

French Trade Commissioner
736 Granville St., Suite 1216
Vancouver
Phone: 684-1271

GERMANY

Commercial Counsellor, Embassy of the Federal Republic of Germany
1 Waverley St.
Ottawa K2P 0T8
Phone: 232-1101
Telex: 013-226

Consulate of the Federal Republic of Germany
11618 100th Ave.
P.O. Box 363
Edmonton T5J 2J6
Phone: 488-0144

Cdn. German Chamber of Industry & Commerce Inc.
2015 Peel St., Suite 1110
Montreal 110
Phone: 844-3051

Trade Commissioner
Consulate General of the Federal Republic of Germany
3455 Mountain St.
Montreal 109
Phone: 849-1134
Telex: 05-24483

Cdn. German Chamber of Industry & Commerce Inc.
480 University Ave., Ste. 1510
Toronto 2
Phone: 366-7743

Consulate General of the Federal Republic of Germany
77 Admiral Road
Box 523, Stn. P
Toronto M5S 2T1
Phone: 925-2813

Consulate General of the Federal Republic of Germany
National Trust Bldg.
325 Howe St.
Vancouver 1
Phone: 684-8377

Consulate of the Federal Republic of Germany
424 Wellington Cres.
P.O. Box 876
Winnipeg R3C 2S1
Phone: 453-1001

GHANA

Counsellor, Office of the High Commissioner for Ghana
85 Range Rd., Suite 810
Ottawa K1N 8J6
Phone: 236-0871

GREECE

Commercial Attaché
Royal Greek Embassy
Chateau Laurier, Suite 110
Ottawa K1N 8S7
Phone: 235-2255
Telex: 013-3940

GUATEMALA

Consul General of Guatemala
57 Frontenac, Place Bonaventure
P.O. Box 401
Montreal H5A 1B7
Phone: 861-5615

HAITI

Embassy of Haiti
150 Driveway, Suite 111
Ottawa K2P 1E7
Phone: 232-2855

Consul General
Consulate General of Haiti
1500 St. Catherine St. W.
Montreal 107
Phone: 937-9183

Consul General
Consulate General of Haiti
967 Bar Le Duc St., Ste-Foy
Quebec 10
Phone: 651-2360

HONDURAS

Consul General
Consulate General of Honduras
1225 St. Mark St., Suite 101
Montreal 108
Phone: 935-9708

Honorary Consul
Consulate of Honduras
25 Adelaide St. E., 19th Floor
Toronto
Phone: 364-7231

Honorary Consul
Consulate of Honduras
535 Georgia W., Ste. 104
Vancouver
Phone: 685-7711

HUNGARY

Hungarian Trade Commission
1350 Sherbrooke St. W., Suite 1510
Montreal 109
Phone: 849-9261
Telex: 0525162

Branch Office of the
Hungarian Trade Commission
102 Bloor St. W., 8th Floor
Toronto 181
Phone: 923-3596
Telex: 0622551

INDIA

Second Secretary (Commercial)
High Commission of India
200 MacLaren St.
Ottawa K2P 0L6
Phone: 232-2557
Telex: 013-472

Trade Commissioner for India
325 Howe St.
Vancouver 2
Phone: 681-0644

INDONESIA

Counsellor, Economic Affairs
Indonesian Embassy
Box 430, Terminal A
85 Range Road
Ottawa K1N 8J6
Phone: 236-7403
Telex: 0133119

Honorary Consul & Trade
Commissioner of Indonesia
Board of Trade Bldg.
300 St. Sacrement St.
Montreal 125
Phone: 288-8111
Telex: 01-20258

Honorary Consul of the
Republic of Indonesia
1055 West Hastings St., Suite 1960
Vancouver 1
Phone: 682-8861

IRAN

Imperial Embassy of Iran
85 Range Rd., Suites 307/308
Ottawa K1N 8J6
Phone: 236-9108
Telex: 013-229

IRAQ

Embassy of the Republic of Iraq
377 Stewart St.
Ottawa K1N 6K9
Phone: 236-9177

IRELAND

Irish Trade Representative
Irish Trade Office
10 King St. E.
Toronto M5C 1C3
Phone: 363-7394

ISRAEL

Consul & Trade Commissioner of Israel
Israel Trade Commission
102 Bloor St. W., Ste. 780
Toronto M5S 1M8
Phone: 961-1242
Telex: 06-217520

Israel Trade Commission
1118 St. Catherine St. W.
Montreal 110
Phone: 866-7437
Telex: 01-20730

ITALY

Commercial Counsellor and
Senior Trade Commissioner
Embassy of Italy
170 Laurier Ave. W.
Ottawa K1P 5V5
Phone: 232-2153
Telex: 013-3278

Italian Trade Commissioner
800 Place Victoria, Suite 4527
Montreal 115
Phone: 871-2064

Italian Trade Commissioner
100 University Ave., Suite 510
Toronto 116
Phone: 362-1036

Italian Trade Commissioner
736 Granville St., Suite 407
Vancouver
Phone: 685-8451

JAMAICA

Counsellor, Jamaican High
Commission
85 Range Rd., Suite 203
Ottawa K1N 8J6
Phone: 233-9311
Telex: 053-3287

Honorary Trade Commissioner
Jamaican Trade Commission
110 Yonge St., Suite 706
Toronto M5C 1T4
Phone: 362-6691

JAPAN

Embassy of Japan
75 Albert St., Room 1005
Ottawa K1P 5E7
Phone: 233-6214
Telex: 053-4220

Consulate General of Japan
10020-100th St., Ste. 2600
Edmonton
Phone: 422-3752
Telex: 037-3404

Consulate General of Japan
1155 Dorchester Boulevard West
Suite 2701
Montreal 102
Phone: 866-3420
Telex: 05-25376

Consulate General of Japan
Toronto-Dominion Centre, Suite 1803
P.O. Box 10
Toronto 111
Phone: 363-7038
Telex: 02-2657

Consulate General of Japan
1177 West Hastings St., Room 1210
Vancouver 9
Phone: 684-5868
Telex: 04-51402

Consulate General of Japan
Three Lakeview Square, 5th floor
185 Carlton St.
Winnipeg
Phone: 943-5554
Telex: 07-57533

JORDAN

The Royal Jordan Embassy
2319 Wyoming Ave. N.W.
Washington, D.C. 20008
Phone: 265-1606
Telex: 24502

KOREA

Second Secretary and Consul
Embassy of the Republic of Korea
151 Slater St., Suite 608
Ottawa K1P 5H3
Phone: 235-9439
Telex: 013-290

LEBANON

Embassy of Lebanon
640 Lyon St.
Ottawa K1S 3Z5
Phone: 236-5825

LUXEMBOURG

Consul General of
the Grand Duchy of Luxembourg
3877 Draper Ave.
Montreal 261

MALAYSIA

High Commission of Malaysia
130 Albert St., Suite 1001
Ottawa K1P 5G4
Phone: 237-5182

MEXICO

Embassy of Mexico
130 Albert St., Ste. 206
Ottawa KIP 5G4
Phone: 233-8988

Consulate General of Mexico
3450 Drummond St., Ste. 1501
Montreal
Phone: 288-2502

Consulate of Mexico ad honorem
2040 Terrasse Stuart, Sillery
Quebec
Phone: 527-1374

Consulate of Mexico
Commerce Court W., Ste. 2701
Box 255, Commerce Court Postal Stn.
Toronto
Phone: 368-5792

Trade Commissioner for Mexico
Commerce Court W., Ste. 2725
Box 235, Commerce Court Postal Stn.
Toronto
Phone: 364-4725

Consulate of Mexico
Burrard Bldg., Rm. 607
1030 West Georgia Street
Vancouver
Phone: 684-3547

MONACO

Consul General of Monaco
P.O. Box 127, Station B
Montreal 110
Phone: 861-1017

NETHERLANDS

Commercial Counsellor
Embassy of the Netherlands
Congill Bldg., 3rd Fl.
275 Slater St.
Ottawa K1P 5H9
Phone: 237-5030
Telex: 013-3109

Netherlands Consulate
Time Bldg.
10008 106th St.
Edmonton
Phone: 424-8380

Netherlands Consulate General
Place Ville Marie, Rm. 1736
Montreal 113
Phone: 866-4875

Netherlands Consulate General
10 King St. E.
Toronto 210
Phone: 364-5443

Netherlands Consulate General
475 Howe St.
Vancouver
Phone: 684-6448

NEW ZEALAND

New Zealand Government Senior
Trade Commissioner
635 Dorchester Blvd. W., Suite 708
Montreal H3B 1R6
Phone: 866-9393
Telex: 05-268831

New Zealand Government
Trade Commissioner
Toronto Dominion Bank Tower
Box 10071, Pacific Centre
Vancouver V7Y 1B6
Phone: 684-7388
Telex: 04-55186

NICARAGUA

Consul General
Consulate General of Nicaragua
3601 Decarie Blvd.
Montreal 260
Phone: 486-5085

NIGERIA

First Secretary
Nigeria High Commission
320 Queen St.
Ottawa K1R 5A3
Phone: 236-0521
Telex: 013-3285

NORWAY

Secretary, Royal Norwegian Embassy
140 Wellington St., Suite 700
Ottawa K1P 5A2
Phone: 235-4569
Telex: 053-4239

Consul General of Norway
Royal Norwegian Consulate General
800 Place Victoria, Suite 2112
Montreal 115
Phone: 861-5542

Consul General of Norway
Royal Norwegian Consulate General
837 West Hastings St.
Vancouver
Phone: 682-2281

PAKISTAN

Trade Commissioner for Pakistan
1230 McGregor St., Suite 606
Montreal 109
Phone: 845-2297

PANAMA

Consul General
Consulate General of Panama
5165 Sherbrooke St. W., Ste. 408
Montreal
Phone: 481-4528

PERU

Counsellor in charge of Consular Affairs
Embassy of Peru
539 Island Park Dr.
Ottawa K1Y 0B6
Phone: 722-7186

Consul General of Peru
3355 Queen Mary Rd., Apt. 521
Montreal 247
Phone: 733-1067

Honorary Consul of Peru
436 Main St.
Winnipeg 2
Phone: 947-0131

PHILIPPINES

Office of the Commercial Attaché
Embassy of the Philippines
130 Albert St., Suite 608
Ottawa K1P 5G4
Phone: 235-0450

Philippine Trade Office
6 Lansing Square, Ste. 115
Willowdale (Toronto)
Phone: 491-3627

Philippine Consulate General
525 Seymour St., Suite 909
Vancouver
Phone: 685-7645

POLAND

Trade Commissioner's Office of the
Polish People's Republic in Canada
1500 Stanley St., Suite 315
Montreal H3A 1R3
Phone: 849-8667
Telex: 01-20689

PORTUGAL

Embassy of Portugal
645 Island Park Dr.
Ottawa K1Y 0B8
Phone: 729-0883

Consulate General of Portugal
4920 de Maisonneuve Blvd. W.
Montreal 215
Phone: 487-4322

Consulate of Portugal
159 Bay St., Suite 520
Toronto 1
Phone: 366-3816

Consulate of Portugal
P.O. Box 2068
707-736 Granville St.
Vancouver 3
Phone: 726-6958

Honorary Consulate of Portugal
King's Bridge Court, Apt. 2D
St. John's Nfld.
Phone: 726-6958

Honorary Consulate of Portugal
9 rue Grand Allée est
Quebec
Phone 524-3162

Honorary Consulate of Portugal
P.O. Box 355
1646 Barrington St.
Halifax
Phone: 423-7211

Honorary Consulate of Portugal
233 Portage Ave., Suite 238
Winnipeg
Phone: 943-8941

Portuguese Government Trade Office
Place Bonaventure
49 Frontenac St.
P.O. Box 954
Montreal 114
Phone: 861-4767

ROMANIA

Romanian Economic Representation
485 McGill St., Suite 207
Montreal 125
Phone: 866-5881
Telex: 05-268571

SAN MARINO

Consul General of San Marino
27 McNider Ave.
Montreal H2Y 3X4
Phone: 871-3838
Telex: 05-24456

SOUTH AFRICA

South African Trade Commission
P.O. Box 103
Commerce Court Postal Stn.
Toronto M5L 1E2
Phone: 364-0314

SPAIN

Commercial Counsellor to the
Spanish Embassy
80 Rideau Terrace, Ste. 121
Ottawa K1M 2C6
Phone: 749-4112

Commercial Office of Spain
Place Bonaventure
P.O. Box 1137
Montreal 114
Phone: 866-4914

SRI LANKA

Commercial Secretary
High Commission for Sri Lanka
85 Range Rd., Suites 103-104
Ottawa K1N 8J6
Phone: 233-1305
Telex: 013-3668

SWEDEN

Royal Swedish Embassy
140 Wellington St., Suite 604
Ottawa K1P 5A2
Phone: 232-4835
Telex: 053-3331

Royal Swedish Consulate General
1155 Dorchester Blvd. W., Suite 800
Montreal 102
Phone: 866-4019
Telex: 01-20255

Trade Commissioner for Sweden
The Simpson Tower
401 Bay St., Suite 520
Toronto 1
Phone: 864-1470
Telex: 02-29040

Trade Commissioner for Sweden
Board of Trade Tower, Suite 1004
1177 West Hastings St.
Vancouver 1
Phone: 685-1288
Telex: 04-51451

SWITZERLAND

Embassy of Switzerland
5 Marlborough Ave.
Ottawa K1N 8E6
Phone: 235-1837
Telex: 053-3648

Consul General of Switzerland
1572 McGregor Ave.,
Montreal H3G 1C4
Phone: 932-7181

Consul General of Switzerland
100 University Ave., Suite 911
Toronto M5J 1V6
Phone: 364-3371

Consul of Switzerland
1130 One Bentall Centre
505 Burrard St.
Vancouver 111
Phone: 684-2231

Consul of Switzerland
Tribune Building
257 Smith St.
P.O. Box 783
Winnipeg RC3-2N4
Phone: 942-7013

TANZANIA

Tanzania High Commission
124 O'Connor St., 6th Fl.
Ottawa K1P 5M9
Phone: 232-1509

THAILAND

Second Secretary (Economic)
Royal Thai Embassy
85 Range Rd., Suite 704
Ottawa K1N 8J6
Phone: 237-1517

Office of the Thai Commercial Counsellor
20 East 82nd St.
New York, N.Y. 10028
Phone: 628-7900

TRINIDAD AND TOBAGO

Trinidad and Tobago Government Office
1140 de Maisonneuve Blvd. W.,
Suite 1101
Montreal 110
Phone: 842-8521

Trinidad and Tobago Government Office
643 Yonge St.
Toronto M4Y 2A2
Phone: 922-3175

TUNISIA

Embassy of Tunisia
515 O'Connor St.
Ottawa K1S 3P8
Phone: 237-0330
Telex: 013461

TURKEY

Commercial Counsellor, Turkish Embassy
197 Wurtemburg St.
Ottawa K1N 8L9
Phone: 235-1733

UNION OF SOVIET SOCIALIST REPUBLICS

Trade Representation of the U.S.S.R. in Canada
24 Blackburn Ave.
Ottawa K1N 8A3
Phone: 236-1222

Branch of the U.S.S.R.
Trade Representation in Canada
4370 Pie IX Blvd.
Montreal 406
Phone: 255-6422

UNITED STATES

Commercial Counselor
Embassy of the United States
100 Wellington St.
Ottawa K1P 5T1
Phone: 236-2341

Consul General of the United States
805 8th Ave. S.W.
Calgary T2P 1H7
Phone: 266-8962

Consul General of the United States
Bank of Nova Scotia Bldg.,
P.O. Box 160
Halifax
Phone: 429-2480

Consul General of the United States
1564 McGregor Ave.
Montreal H3G 1C3
Phone: 937-6301

Consul General of the United States
P.O. Box 939
Quebec G1R 4T9
Phone: 522-7089

Consul General of the United States
King's Bridge Rd.
St. John's Nfld.
Phone: 726-4524

Consul General of the United States
360 University Ave.
Toronto M5G 1S4
Phone: 362-7513

Consul General of the United States
1030 West Georgia St.
Vancouver V5E 2Y4
Phone: 685-4311

Consul General of the United States
6 Donald St.
Winnipeg R3L 0K7
Phone: 474-2394

VENEZUELA

Consul General of Venezuela
1980 Sherbrooke St. W., Rm. 850
Montreal H3H 1E8
Phone: 932-1872

Consul of Venezuela
P.O. Box 424
525 Seymour St., Suite 101-102
Vancouver
Phone: 685-0561

YUGOSLAVIA

Embassy of the Socialist Federal Republic of Yugoslavia
17 Blackburn Ave.
Ottawa K1N 8A2
Phone: 233-6289
Telex: 013-203

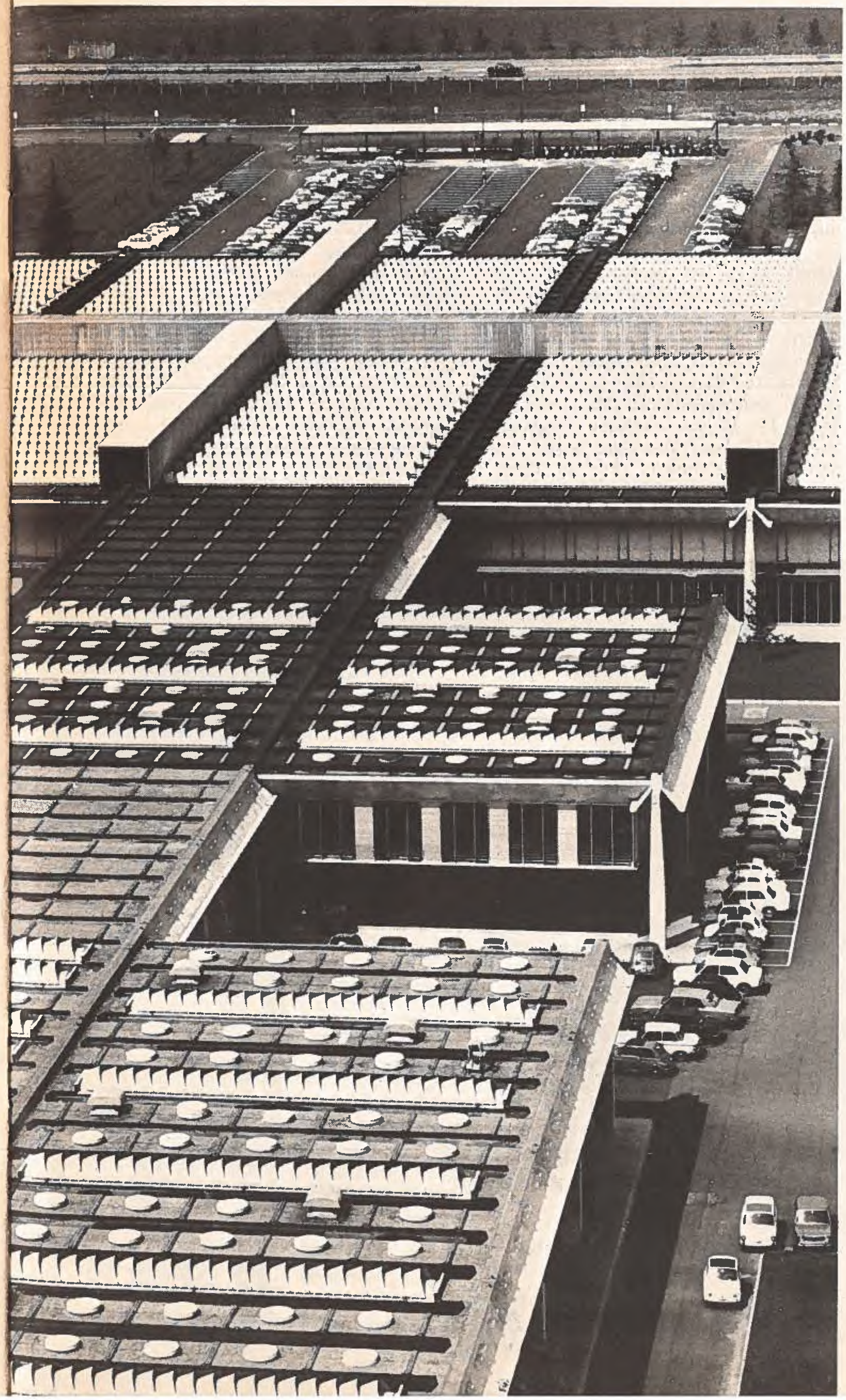
Consul General of the SFR of Yugoslavia
377 Spadina Rd.
Toronto 133
Phone: 481-7279

Yugoslav Federal Chamber of Economy
Representation for Canada
Toronto-Dominion Centre
Royal Trust Tower
P.O. Box 290
Toronto 111
Phone: 363-5641

ZAIRE

Economic Counsellor
Embassy of the Republic of Zaire
18 Range Road
Ottawa K1N 8J3
Phone: 236-7103

Italian Electronics Expanding Again



A. TODESCO, Commercial Officer, Milan

In 1973 Italy produced $275 million worth of colour television sets — a 20 per cent increase over 1972. This growth is particularly remarkable because Italy is the only country in the EEC without colour telecasting.

Italy has yet to select one of the two television systems now in use in Europe: SECAM (French) or PAL (German). There are political considerations before a decision is made as well as the fact that once Italy chooses one system the rights for manufacturing the other automatically will be withdrawn. Currently there is great demand for colour picture tubes because Philips, Fivre (Magneti Marelli group) and Video Color are not able to meet the needs of Italian manufacturers. In fact, our trade office in Milan was recently approached by a major set manufacturer to obtain Canadian suppliers for 50,000 picture tubes.

Colour television is just one sector of the Italian electronics industry which is reviving after several years of comparative stagnation. This article briefly reviews this industry and highlights opportunities for Canadian exporters.

Accelerated growth of industry in the EEC has brought to light some deficiencies in the electronics field, particularly in telephones and telecommunications. It is clear that development in this field has slowed. Some of the major official projects and plans that have been postponed time and again are essential now. Therefore, there should be many prospects for Canadians.

It is quite common for Italian firms to specify U.S. standards for electronics products and Italian manufacturers are prepared, where possible, to produce accordingly. But because of their reputation for reliability, original U.S. products are preferred and they sell very well in Italy. Some U.S. companies that approached the Italian market without expecting any real success have achieved a remarkable volume of business. It is self-evident that Canadian companies

Part of the Olivetti plant at Scarmagno. Olivetti is one of the world's biggest producers of micro computers.

selling products competitive with U.S. models for quality, reliability and price should study closely the possibility of doing business in Italy.

Major requirements for professional equipment, components, semi-finished products and raw materials are foreseen but European producers alone will not be able to satisfy the demand, not only because of its volume but also because of the advanced technology and reliability required. Italy is looking to North American producers to satisfy the demand.

There are 54 Italian companies, with a labour force of about 89,000, in non-consumer electronics. Production reached approximately $1.02 billion worth in 1972 — 21 per cent more than the previous year, and 40 per cent of this production was under U.S. licence. This included wire and wireless telecommunications, radio broadcasting equipment, nautical and avionic equipment, computers, terminals and peripherals, industrial electronics, test and measuring equipment, and medical electronic equipment.

Telecommunications — This was the most successful sector in 1972 with about $0.62 billion worth of equipment produced — an increase of 40 per cent over the previous year. This is even more significant if we consider that 1971 production was practically equal to 1970.

The Italian Government is making determined efforts to further industrialize southern Italy. Sit-Siemens, Eltel and Selenia are enlarging their telecommunication components facilities in the south. The Italian telephone companies SIP ASTT and Italcable, which are partially state-owned, plan to invest $4.16 billion over the next four years. This program comprises mainly all-electronic switching systems.

The major manufacturer of telephone systems is Sit-Siemens, which controls 50 per cent of the market. The balance is shared by FACE Standard (ITT group), GTE (General Telephone and Electronics group), FATME (Ericson group), Telettra (Fiat group) and Marconi Italiana.

Companies involved in radio-television broadcasting, microwaves, radio links, radar equipment and military applications are GTE, FACE Standard, Telettra and Selenia. The latter is one of the major manufacturers of military equipment and this sector of the telecommunications industry is well advanced, requiring sophisticated components and equipment from abroad because 40 per cent of production is now under licence.

The "clean room" at the SGS plant in Agrate. There are less than 100 dust particles of 0.5 microns per cubic foot in this room, compared with 100,000 in a normal lab.

Electronic data processing — In 1970 the world's minicomputer industry was concentrated in the hands of two manufacturers: DEC (Digital Electronic Corporation) (40 per cent) and IBM (18 per cent). This concentration should decrease with increasing use of minicomputers in business and this should allow many more companies to enter the field, which appears to be one of the most promising.

Olivetti, with its accounting data processing systems and its concentrated systems for data collection, is the largest Italian electronic data processing equipment firm. Another company, IME, produces minicomputers and a series of electronic desk top calculators. Other Italian firms (Laben, Selenia, Pignone Sud) produce minicomputers primarily for non-business applications, i.e. industrial process control and telecommunications. Italian minicomputer production is oriented, especially in the business field, to satisfying domestic demand. In 1971 about 10,000 minicomputer units were sold in Italy — in 1973, the installation of 45,000 units was anticipated and for 1977 sales should be triple that figure.

Peripheral and terminal units — There has been a steady increase in this field — 6,000 terminals in 1972 against 4,000 in 1971. A total of 15,000 units is expected by 1975. In this field, the following companies dominate the market: Olivetti (43 per cent), IBM (27 per cent), Univac (16 per cent), Honeywell (7 per cent), others (7 per cent).

The Italian market for data collection equipment breaks down approximately as follows: punched cards (72 per cent), magnetic tapes (8 per cent), punched tapes (10 per cent), magnetic cassettes (3 per cent), magnetic disks (5 per cent).

Industrial — In 1973 the total market was about $173 million, of which $103 million were imports: industrial electronic equipment — $101 million (40 per cent imported), test and measuring equipment — $36.1 million (85 per cent imported), medical electronic equipment — $36.0 million (50 per cent imported).

Thirteen per cent of Italy's industrial electronic equipment market is covered by U.S. companies which have their own branches here. Another 15 per cent is covered by U.S. companies with branches in other EEC countries and 22 per cent is imported directly from the U.S. and sold either by representatives appointed in Italy or by branch offices.

Of particular interest in the electronic control instrumentation sector (which is included in industrial electronic equipment) is that imports from the U.S., or from U.S. factories in the EEC, total about 85 per cent of the market. The establishment of U.S. companies, particularly in northern Italy, is due to the fact that skilled technicians are available and labour costs, while rapidly increasing, are still considered reasonable.

There are indications Italy is suffering from a shortage of equipment and components to meet current demand. Some of these requirements are for LSI/MOS (Large Scale Integration Metal Oxide semi-conductor) circuits. Over the next two years a boom is expected in MOS for the manufacture of conventional and non-conventional equipment. The Italian company SGS-ATES (partially state-owned) is the only firm equipped for the production of these circuits.

There are also requirements for thick and thin film circuits for custom design, resistor networks (hybrid circuits), chokes, AC/DC converters, microwave transistors, LED (light-emitting diode displays), liquid crystal displays, sophisticated connector sets and integrated circuits. Raw materials such as nickel, zinc and aluminum are in great demand and other materials including plastics ABS also find good markets in Italy.

Penetrating the market — How can Canadian manufacturers or export agents sell in Italy? First of all, they could contact the Commercial Divisions of the Canadian Consulate General (Via Vittor Pisani 19, 20124 Milan) and the Canadian Embassy (Via G.B. de Rossi 27, 00161 Rome), providing marketing literature and, if possible, prices c.i.f. Italy. We can then do a brief survey to find out the market possibilities and the competitive position. Specialized consulting companies offer detailed marketing research should this be required later.

Because it is difficult to sell directly to Italian manufacturers, it is advisable to deal through local agents. There are many highly qualified agents and our office can assist in selecting the most suitable to a particular firm.

One means of developing this market is to visit the BIAS International Automation and Instrumentation Fair which is held bi-annually in Milan. (the next one will be November 1974.) The BIAS fair specializes in electronic components, electronic appliances, electronic, industrial and laboratory instrumentation, computers and other advanced electronic systems for industry.

Another electronics showplace is the bi-annual ELETTRONICA in Turin, which will be held again in September 1975. This fair specializes mainly in industrial electronic equipment and minicomputer systems.

For more information contact our office. ◻

The Line of Credit

MALCOLM SUTHERLAND-BROWN, Director, Consultant and Industrial Relations, CIDA

In the modern world one of the surest signs that a country is on the move economically is its transition from aid recipient to trade partner. With this in mind, the Canadian International Development Agency (CIDA) in 1970 started a policy of providing development loans that could be operated as lines of credit for goods or services required in the general development plan or normal business of a developing country. This policy is a considerable change from the sort of "hand-holding" operation that has been typical of many aid operations.

Let's discuss this from the point of view of a Canadian businessman. Here, the last shall be first — he is certain of being paid and paid in Canadian dollars and in a reasonable time. Of course, if he has no faith in Canada he need read no further! However, for most, with that kind of guarantee, a Canadian loan to a developing country for a line of credit becomes rather exciting.

The Canadian businessman need operate only as he normally does. He must sell his product in the usual way although he may get some help from the Department of Industry, Trade and Commerce (IT&C). He must be competitive either in price or quality — but CIDA financing may help to reduce his costs. This is an excellent way of opening new markets.

It may be asked what good does a development loan for a line of credit do for a developing country. First, it opens an avenue for obtaining goods and services without having to have free foreign exchange (hard currency). The country retains a freer hand in what it buys than in a structured aid project. It may use the line of credit in either its private or public sectors, i.e. for ordinary business or for state-sponsored operations. A direct buyer-seller relationship can be established. The country may be able to foster incipient industry or replace or overhaul old plants and machinery. In short, an easy means of doing business with Canadian companies is established.

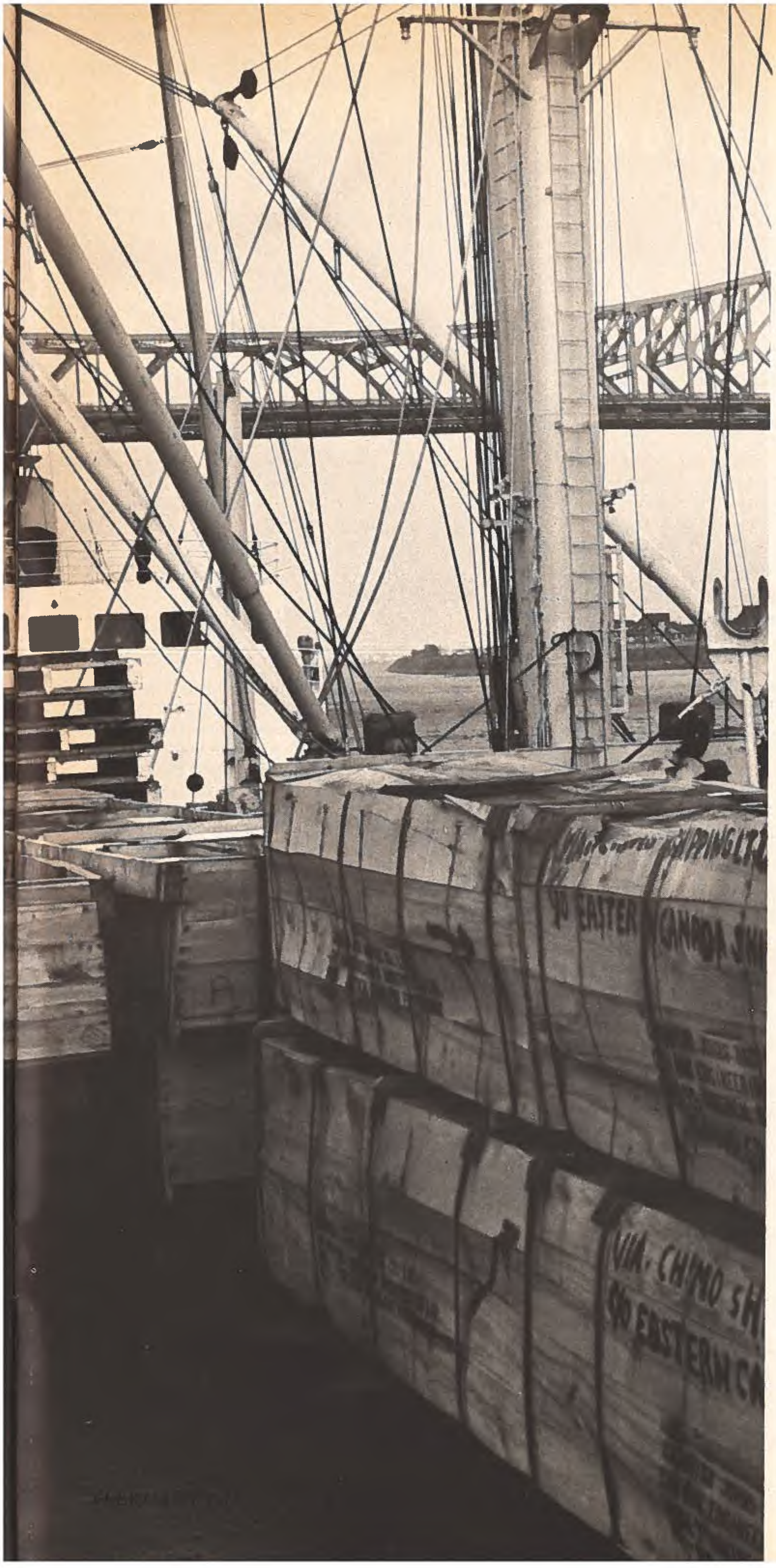
But what are lines of credit, and what does the Canadian exporter need to know about them?

Lines of credit are intended to: 1. be an advance on the traditional aid operations; 2. serve both the private and public sectors; 3. establish normal commercial-type operations between the developing countries and Canada and encourage buyer-seller relationships; 4. help incipient industry; 5. provide spare parts or overhauls for existing plant; 6. overcome problems of foreign exchange; 7. provide both services and goods; 8. require a minimum of supervision or monitoring.

There are four essential requirements for successful operation of a CIDA line of credit loan. These are:

1. The recipient country must designate authority to a specific government department, government agency, or institution to be responsible for administration, financial control, and allocation of loan funds to accommodate purchases by both public and private sectors.
2. CIDA must be advised as early as possible about each proposed purchase to ensure that the equipment, machinery, commodity or service qualifies under the terms and conditions of the loan. This also avoids unnecessary time and expense by Canadian suppliers in pursuing and promoting the sale of ineligible goods and services.
3. CIDA must be provided with a copy of each purchase order or contract issued by an accredited public or private sector procurement agency duly certified by an authorized official of the designated government department, agency or institution that the machinery, equipment, commodity or service being purchased is eligible for financing against the proceeds of the loan.
4. The aggregate value of all items or services purchased against the proceeds of the loan must contain a minimum 66⅔ per cent Canadian content.

How are the lines of credit operated? Some may be structured to provide a single product, road graders or fork-lift trucks, for instance. Some may be semi-



structured, i.e. to provide goods in one sector, such as road-building machinery or agricultural machinery. Others, particularly as the countries become more experienced in handling them, may be almost completely open (almost, because Canada will not provide any weapons or munitions under its aid programs.) Luxuries must be discouraged for obvious reasons, but if tourism is an important money maker it must be fostered with quality goods. Nuclear items are also subject to special scrutiny because of the various international protocols to which Canada adheres.

The accompanying box is a complete list of all loans and grants extended by CIDA for lines of credit (grants have been given only to the smaller countries of the Caribbean). All loans and grants are listed showing their amounts and the balance as at November 1973. It is probable that successful operation will lead to extensions or renewals and that other countries may be included in the future.

Perhaps a specific example of how lines of credit have been working in one country would be helpful. I have selected Indonesia because it had one of the first and broadest of the CIDA lines of credit. The Indonesian purchaser negotiates a letter of credit with one of the 21 foreign exchange banks authorized by Bank Indonesia to make allocations from the loan funds. This letter of credit is passed to one of three authorized Canadian chartered banks ("correspondents"). The Canadian bank sends a copy to the Canadian supplier and to CIDA, which checks the eligibility of the goods under the terms of the loan and informs the bank if it agrees (it normally does).

The Canadian bank then advises the Canadian supplier to ship and present documents for payment. Quotations and shipments are normally made on a c.i.f. basis. The Canadian Bank passes the documents to CIDA for payment by Canadian Government cheque out of the balance of the funds in the loan. In

Prefabricated schools leaving Montreal docks for the Caribbean, where CIDA aid has helped many of the smaller islands.

essence, it is a normal business operation — except that CIDA is required to approve it in the first instance and then to pay for it.

The line of credit in Canada's international development programs has proved to be successful for all concerned and, perhaps, will be used some day to create new industries in the developing countries. It may also be that a greater proportion of CIDA funds will be used for lines of credit. ☐

CIDA LINES OF CREDIT

(as of November, 1973)

INDIA ($16.5 million) — For use by private and public sectors to finance the purchase of electrical, mining and materiel-handling equipment, miscellaneous maintenance spares, petrochemical equipment, electronic and surveying equipment, vehicles, etc. Value of contracts awarded, $2.6 million; under consideration, $13.9 million.

INDONESIA ($24 million) — Of this, $18 million is designated for purchase of industrial materials, fertilizers, newsprint, etc; $6 million is for electronics, oil drilling, mining, forestry, electrification, road building, and automotive capital equipment. Funds committed to contracts, $4.9 million, and earmarked for contracts, $5.7 million. Balance of funds available is $13.4 million.

PAKISTAN ($10 million) — To be graduated over three years with largest amount in last year. Also $6 million earmarked for KANUPP (nuclear), $1 million for Water and Power Development Agency and $1 million for Pakistan Western Railway. Any balance from this, plus remaining $2 million, is available.

TANZANIA ($2 million) — Procurement on behalf of Tanzania is by the Canadian Commercial Corporation. Terms of the agreement permit purchase of services, machinery, and equipment required to meet the country's development needs. Purchases to date have included aircraft spares and servicing, medical supplies, pharmaceuticals, etc. Current funds totally committed but replenishment under consideration.

NIGERIA ($12 million) — To be used primarily for purchases by State Governments for rural and social development in non-oil producing states and will be used over two years for financing equipment and materiel in health and educational programs and for transportation and vehicles. Funds will also be made available for financing of feasibility studies and engineering consulting contracts.

GHANA ($1 million) — This has been used for forestry equipment, road machinery and aluminum sheet. A new loan is being considered.

LEEWARD AND WINDWARD ISLANDS ($500,000) — Procurement is by the Canadian Commercial Corporation. All islands have been allocated $75,000 except Montserrat, which received $50,000, for purchase of small or medium-value items of equipment for transportation, communication, hospitals, road maintenance, refrigeration, electric power, agricultural and miscellaneous purposes; also for educational and public works projects. This is the second grant of the same amount to these islands.

JAMAICA ($1.3 million) — A loan to the Jamaica Development Bank acting on behalf of the Government of Jamaica for onward lending to borrowing agencies in Jamaica for purchase of Canadian services, materials or equipment directly from Canadian suppliers of the borrowers' choice. To date, purchases have included distillery equipment and apparatus, paper making equipment, thermoplastic, airport servicing, and materiel-handling equipment. This has been fully expended but a similar loan is being negotiated for 1974.

IVORY COAST ($6 million) — This will be used at the rate of $2 million for each of the next three years, primarily for the development of forestry and fisheries industries but also available for other projects chiefly owned by Ivorians. The funds are being administered by the Banque Ivoirienne de Développement Industriel (BIDI).

MOROCCO ($5 million) — Comprising $1 million for each of the next five years. Items are not specifically defined but it is anticipated that funds will be used to finance purchases of machinery and equipment for development needs and, possibly, commodities, including fertilizers, woodpulp and industrial raw materials.

ALGERIA ($15 million) — As well as the $15 million from CIDA, the Export Development Corporation has extended a $50 million line of credit and private banks are lending $35 million. The CIDA line of credit will be used primarily for purchase of agricultural equipment, although this may be subject to modifications.

TUNISIA ($15 million) — This will run at the rate of $3 million a year for five years. $1.5 million is to be used for purchase of raw and semi-processed material including lumber, asbestos, rubber, minewood. $1.5 million is to be allocated for purchase of machinery and equipment required to meet development needs during the first year. ☐

The Spanish Market

Overlooked and Under-rated?

M.R. BELL, Commercial Counsellor, Madrid

A survey of public opinion would probably show that most Canadians know where Spain is, that it is the home of bullfights and the flamenco and a nice sunny place for a holiday, but perhaps they wouldn't know that it has the fifth largest gross national product and one of the fastest expanding economies in Western Europe, the third largest shipbuilding industry in the world, and the largest tourist industry in the world. Certainly, if more Canadian businessmen were aware of these and a few other facts about the Spanish economy, more of them might include Spain in their European export plans.

Canadian exports to Spain were worth $64.5 million in 1972 and should top $70 million in 1973 and $100 million by 1976-77. They have grown steadily if not spectacularly over the past decade — except for a pause in 1971-72 — and account for roughly one per cent of Spain's imports. Where does the rest come from? Europe mainly, the expanded EEC accounting for 43.2 per cent, Western Europe as a whole for 51.9 per cent. The United States is also important with roughly 17 per cent of the market followed by Latin America, Japan and Eastern Europe.

And what do the Spanish import? Spain is essentially a capital goods market and more than 22 per cent of 1972 imports (or $1,400 million) were in machinery and mechanical appliances and electrical equipment. Canadian exports in 1972, however, could be broken down as follows: livestock, 4.2 per cent; agricultural and food products, 1.1 per cent; raw materials, 55.3 per cent; semi-manufactures, 29.6 per cent and manufactured products, 9.8 per cent. Taking, then, as objectives the maintenance and improvement of Canada's position in the Spanish market relative to our competitors both in terms of size and composition of Canadian exports, what does the future hold for Spanish imports and Canadian sales to Spain?

Some of the important factors that can be expected to influence the direction

Shipyards at Cadiz.

Nuclear power station at Zorita de los Canes.

of this trade include: 1. Spain's preferential tariff agreement with the European Economic Community; 2. bilateral considerations which may result from Spanish efforts to diversify their own existing trade patterns, e.g. with Eastern Europe, the Arab countries, Latin America, Japan; 3. changes in terms of trade arising from recent realignment of world currencies; 4. shifts in the composition of imports caused by Spanish industrialization; and 5. the possibility of varying rates of inflation in Spain and its supplier countries.

The original Spain-EEC preferential agreement, which was signed in 1970, entered into effect in 1972. It provides for reductions in favour of the Common Market countries of 60 per cent and 25 per cent on respective lists of industrial products. These reductions were to be implemented on a schedule extending to 1977 with exceptions for a list of sensitive products which were to have until 1985 to comply.

To date the effect on Canadian sales has been negligible, due largely to the composition of Canada's exports to Spain (predominantly raw materials) and to the fact that only the first step of the scheduled reductions was in effect during 1972. Even with the preferences fully in force, however, it was unlikely that there would be a great effect on Canadian trade in its present form; more serious will be their effect on our efforts to increase sales of manufactured products relative to raw materials. This assessment may, of course, have to be revised in view of Spain's present plans to re-negotiate the agreement to take into account the enlargement of the EEC and in particular the entry of Britain, which represents a particularly important market for some specific sectors of Spanish exports. Interested Canadian exporters should keep in touch with the Western Europe Division of the European Bureau of the Department of Industry, Trade and Commerce in Ottawa for the latest information on the status of these negotiations.

One effect that the enlargement of the EEC has had in Spain has been the increased effort made to develop Spanish exports to other areas of the world, notably Latin America and the Arab countries where Spain has a historic relationship, Eastern Europe, Japan, and North America. In this way it is hoped to counterbalance somewhat the predominance of the European market in Spain's over-all trade and to avoid, if possible, becoming even more dependent on the Community.

The results of this policy are difficult to evaluate at this time because of the effects of the wide-spread realignment of world currencies which has taken place in the last two years. But Spanish exports to Canada have grown sharply in the past two years and have narrowed the trade gap to under $5 million; a healthy sign for future development of our trade in a country which keeps bilateral balance always in mind.

On the monetary front, after a good deal of discussion during the eventful period in late 1972 and early 1973 the Spanish peseta was sharply revalued relative to the U.S. and Canadian dollars, a revaluation which has amounted to 18 per cent from its exchange rate in early 1971. The impact of this step within the structure of Spanish trade can be seen in the accompanying table of the share certain countries have of the Spanish market, by sector, in 1972. The United States and Canada can be expected to compete more effectively for the major share of the Spanish market at present held by such countries as Germany, France and Japan, whose products are now considerably more expensive to the Spanish consumer than previously, relative to our own. There is plenty of scope now for Canadian exporters to take advantage of this shift in trade terms and the improved competitive position, and they should do it before our competitors start.

Within Spain itself, prices have been rising rapidly and the competitiveness of Canadian products is thereby further enhanced. The Spanish industrial structure lends itself to the sale of sophisticated machinery and equipment, with particular opportunities for Canadian exports in such fields as the steel, pulp and paper, mining, and hotel and restaurant industries.

Make no mistake though; selling in Spain is more complicated than at home or in the United States. The language is different; tariffs are often high and the tariff structure complicated (almost a third of imports are still subject to import licence and, for those not licensed, permission to import must still be sought although approval is to all intents and purposes automatic). The legal system is different, there is exchange control, and there is an official bias in favour of domestic suppliers. There are other markets which are larger, there are others which are easier; but perhaps if you are already selling in other countries and are interested in expanding, maybe your product is particularly suited to Spain. If so we are looking for you and actively searching lists of new products made in Canada, and of Canadian export successes in other countries that could also succeed in Spain.

Selected Spanish Imports and Market Share, by Country, 1972

	Imports $ million	Percentage share U.S.A.	Germany	France	Britain	Japan	Canada
Animals, fish & products	288	1.5	1.5	8.3	1.7	2.3	1.0
Vegetable products	554	47.2	1.0	1.6	1.7	–	0.7
Fats & oils & products	45	37.2	5.7	12.1	2.1	0.4	1.4
Prepared foodstuffs	249	15.0	1.6	4.2	10.1	0.7	–
Mineral products	1,209	6.6	1.5	1.8	1.2	–	2.5
Chemicals	629	18.9	18.9	14.0	9.2	5.7	0.4
Art. resins, plastics, etc.	212	9.1	21.8	16.5	8.4	3.4	0.2
Hides & skins, leather & prod.	140	10.9	3.3	9.6	5.0	1.0	1.9
Wood & articles of wood	140	5.8	0.7	6.8	0.6	0.4	0.7
Paper materials, paper & products	174	13.9	7.5	14.2	6.3	0.3	5.8
Textiles & textile articles	291	10.2	11.0	9.4	8.9	1.6	0.5
Footwear, headgear, etc.	9	3.0	11.8	17.5	5.8	6.3	0.3
Articles of stone, plaster, cement, asbestos, glass, etc.	74	7.5	17.8	26.3	5.9	2.0	–
Precious & semi-precious stones, metals, imitation jewellery, etc.	77	1.6	4.2	12.6	28.4	6.1	–
Base metals & art. thereof	611	8.6	16.7	13.1	18.1	4.1	2.7
Machinery, mechanical appliances, electrical equip.	1,397	15.7	25.6	13.1	10.5	4.1	0.3
Vehicles, aircraft, vessels	331	42.2	13.5	16.5	8.8	0.2	0.3
Optical, photo, cine measurement, etc., instruments, time pieces, musical instruments	255	7.3	18.9	9.8	10.0	14.2	0.3
Arms & ammunitions	3	8.0	8.0	5.5	3.5	4.5	0.5
Misc. manufactured articles	42	6.8	18.4	17.1	14.0	11.7	0.3

The Commercial Division of the Canadian Embassy in Madrid has four officers to help you market your product in Spain — the "front line" of an Industry, Trade and Commerce organization with offices across Canada for your benefit. In addition to providing information on the market, on tariffs, taxes and potential representatives, etc., support is available for participation in trade fairs and space in the Embassy for you to exhibit your products to Spanish buyers in private showings.

But keep in mind that export promotion is a co-operative affair. The assistance a Trade Commissioner gives you is only as good as the information you give him — information about your company, your product, your promotion methods in Canada or in foreign markets where you are already established.

The next time you write to us bear in mind the points listed in the accompanying box. Without complete information about your product, marketing methods, sales price, etc., we can't do much for you. And you would be surprised at the number of requests we get for help that do not give us this essential information.□

Watch the holidays!

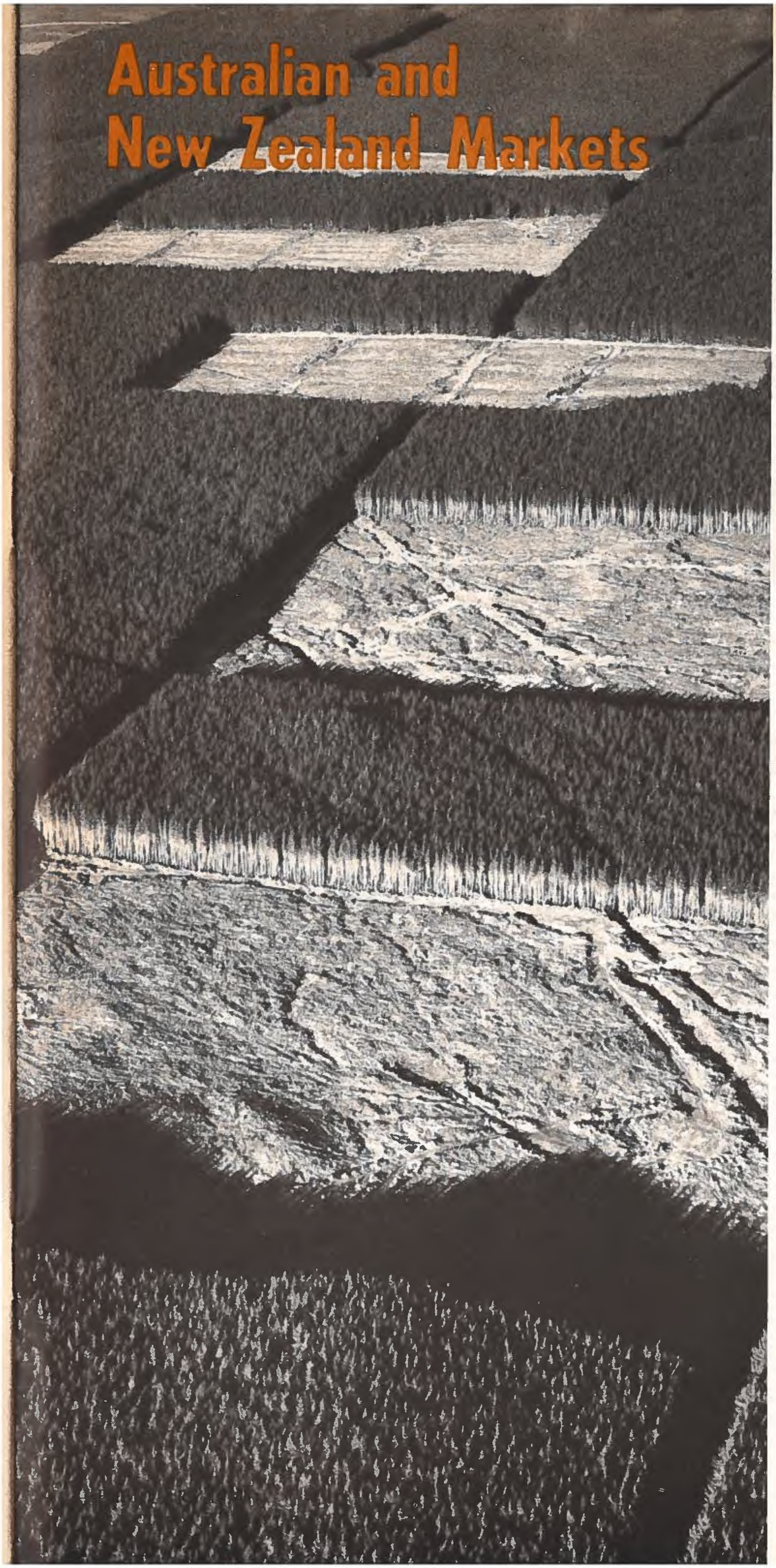
Businessmen visiting Spain should remember that top executives and officials usually take their holidays during the summer months, and that appointments may be hard to make during the months of July and August and to mid-September. Christmas and New Year holidays also may be extended. Another common practice is to take long weekends when national or municipal holidays fall on Tuesdays or Thursdays. National holidays in Spain this year fall on March 19, April 11 and 12, May 1 and 23, June 13 and 29, July 18 and 25, August 15, October 12, November 1 and, of course, Christmas day.

Madrid celebrates its civic holiday on May 15, and Barcelona will have holidays on April 15, September 24 and December 26.

Export Marketing Information Checklist

1. What type of company are you? Public or private? Long or recently established (year)? Large or small (sales, number of employees, etc.)?
2. What is your share of the Canadian market for the product you are seeking to export?
3. Are you already exporting it, and to which countries?
4. What proportion of your total sales of this product is presently accounted for by exports? What proportion is your goal?
5. How did you choose this market for your current expansion? Have you done any market research? Did you do any at home or in your other export markets? What sales would you like to make and be able to handle here, next year, in five years' time?
6. Who are your main competitors?
7. What sales advantages do you have over your competition?
8. What type of end user buys your product in Canada? Does he buy your product primarily because of price, quality, technology, service, other?
9. How do you sell in Canada and other countries to which you are now exporting: direct to the end user, through commissioned agent or commissioned merchant, stockist, other?
10. What type of representative do you prefer: big or small, centralized or wide-spread operations, special capital requirements, special technical competence, workshops, willing to stock parts, selling to what kind of outlets?
11. Is any agent training necessary? Do you have facilities? Are you prepared to contribute to the cost? (The Department of Industry, Trade and Commerce has programs to assist you.)
12. What are desirable co-product lines? What are forbidden competitive products?
13. In what currencies do you normally and are willing to quote: f.o.b., c. & f. and/or c.i.f.? What terms of payment do you require and do you offer discounts for prompt payment?
14. Do you specify price of sale to the ultimate customer?
15. What commissions do you pay in other markets? Do you have any fixed idea on commissions you will pay in this market?
16. Can you provide promotional literature in Spanish? If not, would you be willing to share in cost of Spanish language copy? (The Department of Industry, Trade and Commerce has programs to assist you.)
17. Do you have export sales promotion budget to help agents with special projects like participation in trade fairs, advertising, etc.? (The Department of Industry, Trade and Commerce may be able to assist you.)
18. Would you come to Spain to interview a short list of prospective agents and make the final selection?

Australian and New Zealand Markets



Pacific Division, Pacific, Asia and Africa Bureau

Australia and New Zealand represent large and growing markets for imported goods. The combined import market in these countries is presently in excess of $7 billion and expanding at a rapid rate. Although Canada's share of this market is relatively small, these countries remain important customers for Canadian products, particularly manufactured goods. In 1972, Canadian exports to Australia and New Zealand totalled $192 million, more than 80 per cent of which were semi-processed or fully manufactured goods.

In the past two years, developments in Australia and New Zealand have made these markets increasingly attractive from a Canadian viewpoint. A growing demand for imports, improved access (through lower tariffs in Australia and expanded import licence quotas in New Zealand), currency realignments, new agreements on preferential tariffs and new market development initiatives by this Department have all combined to strengthen Canada's competitive position and create new and unique opportunities for Canadian sales.

As a result of severe inflationary pressures, the Australian Government reduced its tariffs by 25 per cent across the board (both general and preferential rates) in July 1973. Also, for anti-inflationary reasons, in September the New Zealand Government announced a NZ $70 million increase in quotas under its import licensing system. Both of these actions were intended to stimulate an immediate inflow of imported goods and should provide new opportunities for Canadian exports.

As a result of currency realignments since the fall of 1971, the Australian and New Zealand dollars appreciated by some 30 per cent relative to the Canadian dollar. These currency movements accounted for an important new price advantage for Canadian exports competing in these markets against both domestic supplies and imports from countries whose currencies had also appreciated over the same period (e.g. Japan).

Fast-growing Radiata pines are planted in 80- to 100-acre plots in New Zealand. Canadian logging trucks, skidders and chain saws are widely used for harvesting.

During 1973 Canada concluded new agreements with both Australia and New Zealand which provided, inter alia, for continuation of a number of the tariff preferences which had been left uncertain with the abrogation of the preferential trade agreements these countries had with Britain. In effect, these new agreements ensure that Canadian products will, by and large, remain eligible for preferential entry to both Australia and New Zealand.

Recognizing the unique competitive edge which Canadian products now enjoy in these markets, this Department sponsored a high-level trade development mission to the South Pacific in October/November. The mission, led by J.F. Grandy, Deputy Minister, comprised senior Canadian businessmen and Department officials. The businessmen represented such industry sectors as power generation and distribution, forest products, chemicals, medical equipment, consumer goods, and engineering services. The mission visited Australia, New Zealand and Fiji and its findings confirmed the excellent potential for Canadian exports to these markets. (A more detailed report on the mission will appear in the March issue of *Canada Commerce*).

It is evident that the time is ripe for an increased Canadian presence in the Australian and New Zealand markets. This Department is prepared to assist, wherever possible, in the development of the existing market potential. But in the final analysis it is up to individual Canadian firms to take the initiative and examine the prospects. □

From the Librarian's Desk

Many new books have appeared on the Department's library shelves this past year. Some of the more recent titles of interest to the Canadian businessman are listed here. If you are interested in reading any of them and they are unavailable from your own library, ask your local librarian to borrow them from us through the inter-library loan system.

Brittan, S. *Is there an economic consensus? An attitude survey.* London, Macmillan, 1973.

Bucovetsky, M.W. *A Study of the role of the resource industries in the Canadian economy.* Toronto, University of Toronto, 1973.

Connolly, M.B. *International trade and money; the Geneva essays.* Edited by Michael B. Connolly and Alexander K. Swoboda. Toronto, University of Toronto Press, 1973.

Denizet, J. *Monnaie et financement; essai de théorie dans un cadre de comptabilité économique.* Préface de Valéry Gescard D'Estaing. 3e ed. Paris, Dunrod, 1972. (Statistique et programmes économiques, v.12)

Developing the subarctic; proceedings of a symposium of the 22nd Congress of the International Geographical Union (August, 1972). Edited by J. Rogge. Winnipeg, University of Manitoba, 1973. (Manitoba geographical studies, 1)

Dobb, M.H. *Theories of value and distribution since Adam Smith; ideology and economic theory.* Cambridge (Eng.) University Press, 1973.

Friedman, I.S. *Inflation; a world-wide disaster.* Boston, Houghton Mifflin, 1973.

Goeldner, C.R., Dick, K. and Sletta, Y. *Travel trends in the United States and Canada.* Boulder, Business Research Division, Graduate School of Business Administration, University of Colorado, c 1973.

Johnson, P.S. *Co-operative research in industry; an economic study.* London, Martin Robertson, 1973.

Jump, G.V. and Sawyer, J.A. *The macroeconomic effects of the shutdown of an industry,* Toronto, University of Toronto, 1973. (University of Toronto. Institute for the Quantitative Analysis of Social and Economic Policy. Working papers, no. 7302)

Kumar, J. *Population and land in world agriculture; recent trends and relationships.* Berkeley, Institute of International Studies, University of California, 1973. (Population monograph series, no. 12)

Medford, D. *Environmental harassment or technology assessment?* Amsterdam, Elseirer, 1973.

Monsen, R.J. *Business and the changing environment.* New York, Montreal, McGraw-Hill, 1973.

Mumford, L. *Interpretations and forecasts: 1922-1972; studies in literature, history, biography, technics, and contemporary society.* New York, Harcourt Brace Jovanovich, 1973.

Perlman, R. *Elements of trade.* Hinsdale, Ill., Dryden Press, c1972. (Dryden Press elements of economics series. Microeconomics: trade)

Rhenman, E. *Organization theory for long-range planning.* London, New York, J. Wiley, 1973.

Russell, C.S. *Residuals management in industry: a case study of petroleum refining.* Baltimore, published for Resources for the Future, Inc., by the Johns Hopkins University Press, 1973.

Shore, B. *Operations management.* New York, Montreal, McGraw-Hill, c1973. (Management series)

Weintraub, S. *A general theory of the price level, output, income distribution, and economic growth.* Westport, Conn., Greenwood Press 1973, (c1959).

Canadian Food Festivals in Japan

The current series of Canadian Food Festivals was opened at Hankyu Department Store in Osaka on October 26. Other festivals featuring Canadian foods and beverages have been held since in Hankyu stores in Tokyo, Ikari supermarkets in Osaka and Kobe, and at the Olympia Foodliner in Tokyo.

This month there are festivals at Mitsukoshi Department Stores and Isetan Department Stores in Tokyo.

Products of about 30 Canadian food and beverage firms from all parts of Canada are being featured, including a full line of meats and meat products, fish products, confectionery items, alcoholic beverages, honey, jams, jellies, pasta products, frozen vegetables, pickles, relishes and dessert mixes.

The Canadian Food Festivals are sponsored by the Department of Industry, Trade and Commerce and are part of a program to introduce Canadian processed foods to Japanese consumers. This in-store promotion follows several food and beverage trade exhibitions held in Japan since 1969.

In this picture, T. Kimura, vice-president, Hankyu Department Stores, and J.M.T. Thomas, Minister (Commercial), Canadian Embassy, can be seen discussing Canadian food products at an in-store food festival promotion.

International Financing Seminars

This winter, the Department of Industry, Trade and Commerce is holding seminars on international financing. There is no formal schedule; usually seminars are presented to interested Canadian firms or groups of firms, or they can be tailored to the specific needs of the audience.

The seminars are being run by the International Financing Branch of the Department and should be of special interest to small or medium-size firms. Seminars can be organized for groups of middle management people from several firms with related export interests; or seminar team visits to the head offices of multidivisional companies with diversified export interests can be organized.

Funding by organizations such as the World Bank or the various regional Development Banks presents great opportunities to Canadian firms. It is estimated that these agencies are currently lending more than $4 billion a year and have about 1,000 new projects under active consideration.

Obviously, many Canadian firms should be able to take advantage of this situation and the seminars help to show them how to get in on the action.

In addition to the seminars, the Department's International Documents Centre and a computerized multilateral financing data bank with monthly print-out reports are available to interested Canadian exporters on a need-to-know basis.

All seminars are closed to the general public and the media — the International Financing Branch aims to hold them for specific interest groups. They can deal with particular geographical areas or specific types of funding, or they can present a general picture of the international financing situation. For more information write: Seminars, International Financing Branch, Department of Industry, Trade and Commerce, Ottawa, K1A 0H5.

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an invitation....

This may be the first time you have read *Canada Commerce.* We hope you found it informative — if you did, probably you will want to see more of this monthly magazine and you will be happy to know that obtaining a subscription is a relatively painless experience.

For starters, if you (or your firm) are a Canadian producer of goods and services, you can have *Canada Commerce,* in English or French, every month free of charge. For some readers there is a subscription fee — anyone in Canada who is not a "producer of goods and services" can have the magazine for $5.00 a year; those abroad can subscribe for $7.00 a year — still a bargain, considering the information provided.

Usually, *Canada Commerce* issues are of general interest with articles on everything from changing eating habits in France to white-collar crime in Canada. But from time to time, special issues are run to provide in-depth coverage of particular market areas.

In addition, there are regular features such as *Export Opportunities, Wanted Manufacturers* and *International Projects.* International currency fluctuations are hard to keep up with these days but each month *Canada Commerce* publishes *Foreign Exchange Rates* compiled by the Bank of Canada. These may not be up-to-the-minute but they are valuable in keeping an eye on trends. Other articles tell of Canadian successes in business and industry and often provide useful tips on getting ahead in export marketing.

But the most important function of the magazine, perhaps, is keeping you posted on what's happening in the Department of Industry, Trade and Commerce and in other Government Departments. Regular directories of ITC offices in Canada and posts abroad are published, along with articles on the many Department services available. More than anything else, Canada Commerce can be an effective tool for cutting red tape — by showing you how to avoid wasted steps.

We invite you to clip the form below and mail it with your letterhead or business card to: Editor, Canada Commerce, Department of Industry, Trade and Commerce, Ottawa K1A 0H5.

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