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**Exporting to the U.S.
Customs and Tariff Tips — Page 6**

Industry/Labour Adjustment Program — Page 10

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Editorially speaking. . . .

Canada's nuclear industry received a vital shot in the arm with the recent signing of an agreement to sell a second CANDU reactor to Romania. (An article on Romania was carried in the July/August 1981 issue of Canada Commerce).

What's more, the sale to Romania should have economically beneficial spin-offs for a number of Canadians: It takes almost a decade to build a nuclear reactor — and estimates are the Romanian deal will result in more than \$500 million worth of business coming into Canada in the first five years alone!

Encouraging, too, is the possibility of further CANDU sales (the first is scheduled for completion in 1982) to the Republic of Korea. Canada attaches much significance to its rapidly developing economic relationship with Korea — this month Prime Minister Pierre Elliott Trudeau becomes the first Canadian prime minister to visit the Republic. And, while it is too early to boast additional CANDU sales, Korea offers numerous export opportunities for Canadians, as our man in Korea reports. (Page 1).

On the subject of exports, and closer to home, IT&C's Office of U.S. Relations (page 6) tells of the assistance it can provide Canadian companies wishing to export to, or experiencing problems in exporting to, the United States. And the Inter-American Development Bank (page 8), in its guidelines for the 80s, reveals that Canadians could increase their export trade to Central and South America and the Caribbean — if they would participate more fully in Bank-sponsored projects.

Positive steps being taken by Canadian industry on the home front also make for good reading on the following pages.

D.E.W.

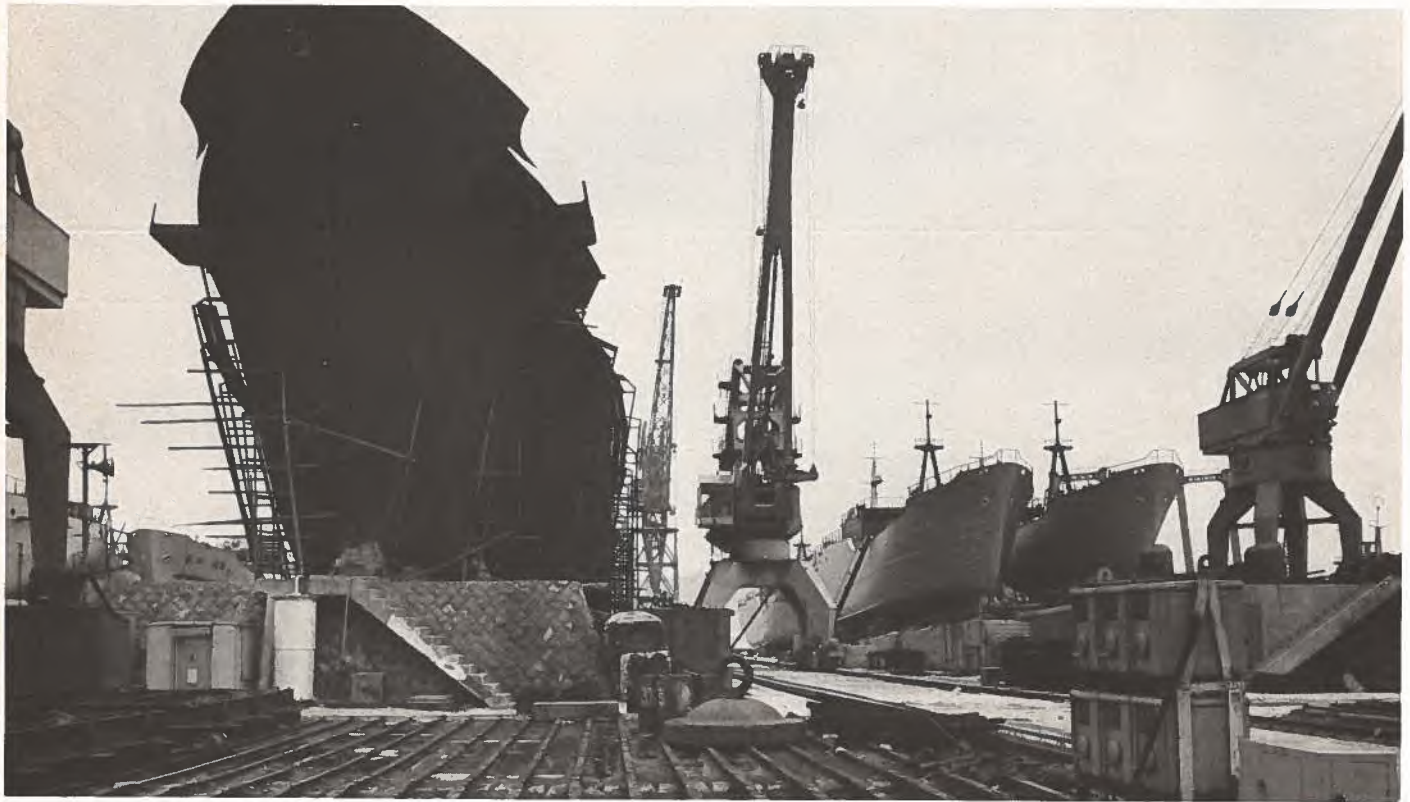
Please note that Canada Commerce is available free of charge in Canada only to interested Canadian manufacturers and business persons.

Publié aussi en français

More than an exporter of inexpensive shirts and dresses, Korea is a modern nation which, like the Phoenix, has risen majestically from the ashes of two wars to become a very important industrial power in Asia and among third world countries. Canada, which is warmly regarded by Koreans, is also participating in that country's economic growth. And, as this article indicates.

Canadian Know-how Helps Capture Korean Market

**by Michael P. Whalen
Second Secretary (Commercial)**



Through much of its history Korea remained isolated from the outside world and, until the late 19th century, was known as the "Hermit Kingdom". Even today Canadians, generally, have a vague impression of the Republic of Korea. Veterans of the Korean War remember a depressed nation devastated by conflict, its cities in ruins, its people impoverished. For other Canadians, Korea is one of those Asian nations that supplies inexpensive shirts and dresses found in many Canadian department stores.

In reality, Korea is a booming and vibrant country which has risen from the ravages of two wars to take its place as one of the leading lights of the developing world. Korea's GNP reached U.S. \$58

billion in 1980 compared with only U.S. \$18.7 billion in 1975 and exports stood at U.S. \$17.5 billion. Korean companies operate: two of the world's largest shipyards (with dry docks capable of building ships of 1,000,000 DWT); the world's largest cement plant; an integrated steel complex whose efficiency is second to none; and large, modern auto plants producing Korean-designed vehicles. The list goes on.

Beginning with the first five-year economic development plan established in 1962, Korea has constantly set itself ambitious programs and objectives. Close adherence to these plans has made Korea an important industrial power in Asia and among third world countries.

The magnitude of Korea's accomplish-

ments is all the more appreciated, considering the state of the nation following World War II and the Korean War.

Partition of the Korean peninsula left South Korea with virtually no natural resources, other than low-grade deposits of anthracite and a few industrial minerals. The majority of Korea's industry had historically been in the north and the agrarian south had no industrial base on which to build a diverse economy. During the 1950s, South Korea lived almost solely on foreign aid as it desperately tried to resurrect the nation that lay in ashes. The reduction in United States aid in the late 1950s forced the country to adopt the long-range strategic planning of the five-year plans started in 1962.

Canada's involvement with modern

Korea began with the dispatch of Canadian forces in the defence of the south during the Korean War. Memory of Canada's contribution is still strong and, because of it, Canadians are generally warmly regarded by Koreans.

Our major ties with Korea, however, revolve around trade and Canada's participation in the growth of the Korean economy.

In 1980, two-way trade reached Cdn. \$918 million, more than double the total of five years ago. Canadian exports amounted to Cdn. \$514 million, of which 15 per cent was comprised of fully manufactured items. In 1980, for the first time in a decade, Canada enjoyed a small trade surplus.



Canadian Involvement in Korea:

Canadian coal fuels the furnaces of the Pohang Iron and Steel Complex and will soon generate power for the Korea Electric Company; Canadian potash and sulphur are used in the manufacture of fertilizers to allow Korean agriculture to be more productive; Pilots on Korean Air Lines will soon learn to fly B747s on a simulator built in Montreal by CAE; and the Korean telecommunication system is installing the latest communications technology developed by Northern Telecom. Perhaps the most outstanding example of Canadian involvement in Korean development is the construction of the CANDU nuclear power station near the small town of Wolsung on the southeast coast of the country. This showpiece of Canadian technology will begin commercial operations in 1982 and will become an important component of Korea's ambitious nuclear program.

Market Opportunities:

Opportunities for Canadian firms wishing to enter the Korean market are diverse. Korea, a developing country well on the road to full industrialization, needs both the high technology goods and the resources Canada can offer.

Agriculture has recently become an important area of Canada-Korea trade as Western ranchers have made large sales of beef cattle. In addition, Korea is dependent on foreign sources for such staple grains as wheat. The termination of the U.S. PL480 law (provision of concessional financing for the purchase of U.S. grain) should open up what, to date, has been a closed market to other countries, including Canada. In the past



Perhaps the most outstanding example of Canadian involvement in Korean development is the construction of the CANDU nuclear power station near the small town of Wolsung on the southeast coast of the country.

semimanufactured goods such as aluminum ingots, wood pulp and petrochemicals. This market is large and growing.

Precision machinery, of course, is required for the continual upgrading of Korean industry. Japanese manufacturers have traditionally held the lion's share of the market but Korea is seeking to diversify its suppliers and local firms are looking further afield.

Korea has imported considerable amounts of Canadian rapeseed. The prospects for this — and increased sales of other agricultural products such as alfalfa and soybeans — are good.

As a nation with almost no mineral resources, Korea provides a booming market for the products of Canadian mines. Coal, potash, and non-ferrous metals are currently the major import items but the rapid expansion of Korean industry will require an ever increasing variety of minerals.

The rising costs of energy are forcing many of Korea's smelting companies to reassess the viability of being a primary metal producer in a country which sees no end in sight to the constantly increasing oil prices. This being the case, opportunities could very likely open up for Canada to supply manufactured metals rather than concentrates.

Korea also imports large quantities of



Environmental equipment may become the biggest market opportunity of the 1980s as Korea prepares to undertake a massive cleanup. The rapid industrial growth of the last 20 years was achieved at great cost to the quality of life. Now that the country has attained a degree of prosperity, steps are being taken to reverse the damage inflicted on the environment.

Korea's massive buildup of power-generating capacity offers tremendous opportunities for Canada. Korea plans to put an additional 12 nuclear power stations in operation by 1991 (only one is currently in operation) along with eight coal-fired plants, four pumped-stored plants, six small hydro dams and a tidal power plant. This program offers opportunities both for manufacturers of equipment and for consultants since tremendous improvements in transmission facilities, ports and other infrastructure must

be made to accommodate this ambitious program.

Although the Korean economy stumbled through a serious recession in 1980 and the first half of 1981 has seen only limited recovery, the GNP is up considerably over last year's level and industrial and agricultural production indices are showing strength. Economists expect that the country, in this decade, is unlikely to achieve the double digit growth of the 1970s. However, Korea may still see economic growth that will far surpass that achieved in the OECD countries.

Canadians should find Korea one of the easiest nations in Asia in which to do business. The majority of Korean businessmen speak English and, on the whole, are frank and open with potential business partners. Earlier this year the Canada-Korea Business Council (CKBC) was formed with Mr. B.A. Beneteau, President, Northern Telecom Canada Ltd., as

the Canadian Chairman. This organization is holding its first meeting in Seoul, in mid-September, 1981. The CKBC is composed of leading Canadian companies which are interested in expanding their business ties with Korea through trade or investment. This organization should pave the way for greater exchanges at the private sector level in the years to come.

Two other recent developments have provided the impetus for increasing levels of bilateral trade during this decade:

In April, 1981, the Honourable S.J. Suh, Minister of Commerce and Industry of Korea, visited Canada to discuss with Canadian ministers and businessmen ways in which to increase the levels of trade and investment flows.

Following closely on the heels of this visit, the Honourable Ed Lumley, Minister of State for Trade, visited Korea in late June. During his stay, Minister Lumley discussed the opportunities for the sale of additional nuclear reactors, the export of aircraft and further sales and transfer of technology of telecommunication equipment. As well, Mr. Lumley pressed the Korean government to open its markets to Canadian wheat and other agricultural commodities.

The future eugers well for closer and better relations with the Republic of Korea which recently took positive steps to liberalize its import regime. As Canada's third largest market in Asia — and one of the most important in terms of purchases of high technology and manufactured items — Korea offers opportunities not found elsewhere. Canadian companies should be investigating these opportunities to capitalize on the favourable atmosphere which, in all likelihood, will push bilateral trade over the \$1 billion mark in 1981.

For further information on trading with Korea please contact the following:

In Canada

Asia Division

Bureau of Pacific, Asian, African and Middle Eastern Affairs (33/3)

Industry, Trade and Commerce

235 Queen Street

Ottawa, Ontario

K1A 0H5

Tel: (613) 996-9195

In Seoul

Mr. M. Whelen

Third Secretary (Commercial) and Vice Consul

Commercial Division

Canadian Embassy

Kolon Building

45 Mungyo-Dong, Jung-Ku

C.P.O. Box 6299

Seoul 100, Republic of Korea

The Canada Commerce series of articles on Canada/Eastern European trade, begun in the April 1981 issue, continues here and deals particularly with the implications of the new five-year plans of these countries. The series has been prepared by Industry Trade and Commerce representatives at the posts concerned in co-operation with the department's Eastern Europe Division.

Bulgaria — Select Opportunities in the Offing?

Increased reliance on domestically-produced oil, gas and coal and expansion of its already sizeable trade with the Soviet Union make it unlikely that Bulgaria will broaden its relatively low-level trade relations with Canada. However, indications are that "select opportunities" for Canadians will arise in the mining, energy, electronics and agricultural sectors.

By mid-1981 Bulgaria is expected to have in place its Eighth Five-Year Plan covering the period from 1981 to 1985. In April the 12th Party Congress in Sofia discussed economic guidelines for this period that had already received the blessing of the leadership of the Bulgarian Communist Party.

The Party-approved economic guidelines continue to stress those aims that were central to the recently completed 1976-80 plan, namely rapid modernization and reconstruction of existing industrial complexes, further integration into the Council for Mutual Economic Assistance (CMEA), intensified trade relations with the Soviet Union, and an improved standard of living. To these aims have been added new emphasis on development in the energy sector and more stress on economic efficiency.

Growth Rates

In general, growth rates anticipated over the next five years are lower than those that were projected at the beginning of the 1976-80 Five-Year Plan. This recognizes the more difficult economic situation that exists both inside and outside Bulgaria today, and also the reality that several growth targets had to be revised downward during the last plan period.

Whereas national income was to grow by 45 per cent between 1976 and 1980 the new estimate for 1981-85 is 25 to



30 per cent. Labour productivity is to increase by 30 to 35 per cent in the next five years as opposed to an estimate of 45 per cent for 1976-80. The sectors receiving the most emphasis are energy, non-ferrous metals, chemicals, electronics, agriculture and consumer goods.

Energy

Bulgaria has not escaped the impact of rising world energy prices. Imported Soviet oil continues to become more expensive under the five-year price averaging provision, and the prospects for increased supplies in the future are uncertain. Bulgarian efforts to diversify energy sources have been hampered by the conflict between Iraq and Iran. The Eighth Five-Year Plan, therefore, puts strong emphasis on increased use of domestic oil, gas, and coal. Lignite deposits in the Dobrudja and Elkhovo regions will be exploited. In addition nuclear energy production, based on

Soviet technology, will be expanded so that 26 per cent of all Bulgarian energy will come from nuclear sources by 1985. Geothermal and solar energy are also to be developed and overall energy conservation has a high priority.

Non-Ferrous Metals

Bulgaria intends to be self-sufficient in non-ferrous metals by 1985. This will require rapid expansion in copper, lead and zinc production, which will be achieved through the opening of new mines and the updating of existing ore facilities.

Chemicals

The new plan calls for an increase of 50 per cent in chemical production by 1985. Emphasis appears to be on significant expansion of chemical end products including paints, enzymes, artificial fibres, animal feed supplements and insecticides.

Electronics

Under a CMEA specialization agreement, the Bulgarian electronics industry has become a priority development sector. Bulgaria produces a wide range of computer equipment, numerical control systems, and robotics that are used throughout the CMEA region and elsewhere. New products are planned for warehouse automation, controlling and monitoring farm machinery, and for numerical control of machine tools.

Agriculture

Within the CMEA, Bulgaria has special responsibility for agricultural production and estimates total growth of 20 to 22 per cent over the next five years. This is equal to the planned growth rate during the previous plan period but substantially higher than the increase of 12 per cent that was actually achieved. Grain production has been specially highlighted, with average grain and fodder output placed, perhaps unrealistically high, at 10.5 million tons annually. Previous harvests have never exceeded 8.6 million tons. Animal populations are to be expanded with the help of imported breeding stock. Draining and improvement of wetlands will add an additional 40,000 hectares of usable farmland by 1985, while irrigation systems are to be extended onto a further 85,000 hectares.

Consumer Goods

In efforts to improve the standard of living, consumer goods received increased priority during the last Five-Year Plan, with retail turnover targetted to increase by 40 per cent. Although growth in retail turnover will be substantially less, at 20-22 per cent in the course of the next plan, the gap in growth rates between industrial goods and consumer goods will be reduced. The quality of consumer goods and the product range is also to be improved.



Foreign Trade

Bulgarian foreign trade doubled in the plan just completed, far exceeding the goal of 60-65 per cent. Foreign trade turnover is planned to grow a further 40 per cent during the new plan period. Much of this growth, however, will be generated by expanded trade relations with the Soviet Union which already accounts for approximately 55 per cent of Bulgarian two-way trade. The USSR and Bulgaria recently signed a protocol on coordinating their trade during the new plan. This trade should reach 40 billion Roubles in the five-year period.

Commercial relations between Bulgaria and Canada are at a very low level. Two-way trade in 1980 amounted to \$9.8 million (\$5.1 million in Canadian exports and \$4.7 million in imports).

This is down considerably from two-way trade of \$15.6 million in 1979, including Canadian exports valued at \$9.3 million. Major Canadian exports in

1980 included mackerel, squid, zinc and asbestos. Major Bulgarian exports to Canada were clothing items, metalworking machinery, wines and processed fruits and vegetables.

Bulgaria's strong links to the CMEA, in addition to a lack of foreign currency, augur against a broad expansion of trade relations with Canada. Bulgaria has available approximately \$1 billion annually for imports from western countries, and the bulk of this goes to the German Federal Republic, Italy, Switzerland, France and Austria. Having achieved surplus positions in each of the last three years of trade with developed Western countries, Bulgaria enjoys relative financial credit worthiness and could expand its trade with these trade partners.

According to the priorities indicated in the new Five-Year Plan, select opportunities for Canadians may arise in the mining, energy, electronics and agricultural sectors. Officers from the Commercial Division of the Canadian Embassy in Belgrade, Yugoslavia, make regular visits to Bulgaria and are happy to explore the potential of any product or service on behalf of Canadian companies.

Those companies wishing to pursue the Bulgarian market should contact:

**Commercial Division,
Canadian Embassy**
Proleterskih brigada 69
11000 Belgrade, Yugoslavia
Telex: 11137 YU DOMCA
Tel: 454-524

or
**Department of Industry, Trade and
Commerce
European Bureau
Eastern Europe Division (27)**
235 Queen St.
Ottawa, Ontario
K1A 0H5
Tel: 613-593-4884



Assistance Available Primer for Canadian Exporters to the U.S.

The Office of U.S. Relations (USR) of the Department of Industry, Trade & Commerce at Ottawa is ready to assist Canadian companies who wish to export or who are experiencing problems in exporting to the United States. The Office has two Divisions: Tariff Affairs and Trade Relations. This article outlines in broad terms the ways in which the Office can assist individual Canadian companies.

The Tariff Affairs Division can provide concise technical information and valuable market access guidance to both new and established exporters to the U.S.. For example, before you sign a contract with a U.S. customer, you should ensure that you have included **all** costs relative to importing into the U.S. market — including both customs and non-customs factors — to your laid down price to the customer or you may find yourself exporting at a loss.

Since most American buyers view Canadians in the same light as their own domestic suppliers, the onus of dealing with Customs is usually left up to the Canadian exporter. . .and that includes such Customs considerations as documentation, tariff classification, value for duty and rates of duty, as well as non-customs matters such as Customs brokerage and the application of various U.S. laws affecting imports including food and drug regulations, consumer product safety, labelling, environmental protection and a host of others.



The Tariff Affairs Division is constantly in touch with U.S. Customs and other agencies on behalf of Canadian exporters, and over the years has developed an in-depth knowledge of the interpretation and implementation of U.S. tariffs and regulations related to access for imports into the U.S. market. The Division can assist the exporter in many ways and is a good place to begin for the first-time exporter or for the exporter of a new product.

It is important that the Canadian exporter ensure that the documentation

presented to U.S. Customs is complete and accurate. This will not only result in prompt clearance by U.S. Customs but also avoid possible costly penalties.

Since documentation required by U.S. Customs has reached such a degree of refinement today, few exporters can do without the services of a U.S. Customs broker to prepare and submit import entry documentation to U.S. Customs. In addition to documentation, brokers can also provide the necessary surety bond to guarantee payment of duty on your behalf and be available on arrival of your

shipment at the port of entry, an important factor in terms of time and effort, particularly where export shipments are sporadic and arrive at irregular times.

Because of the degree of decentralization in the U.S. Customs service it is possible to have the same goods assessed at different duty rates due to different tariff classifications applied at different ports of entry. In order to overcome this difficulty, first-time exporters or exporters of new products should obtain an official tariff classification ruling from the U.S. Customs Service. The Division is pleased to assist exporters in obtaining such rulings. This is valuable information in helping a Canadian company to assess the possible benefits of expanding into the U.S. market and permits the exporter to determine the exact duties that are to be charged on all shipments of this same product regardless of port of entry used. The ruling will also enable the manufacturer to estimate future customs costs resulting from any scheduled duty rate reductions negotiated during the Multilateral Trade Negotiations.

The Tariff Affairs Division can also assist manufacturers in applying for internal advice which is designed to settle disagreements arising in connection with current or completed transactions. Further, the Division can provide assistance and suggestions regarding points of law and previous customs practice which may support an exporter's case where a protest is considered.

The Division can also provide Canadian exporters with information and assistance regarding: — labelling of food, drug, cosmetic and alcohol products; customs penalty assessments; anti-dumping and countervail issues; customs valuation; consumer product safety standards; other questions related to U.S. market access.

The Trade Relations Division of the Office of U.S. Relations is concerned with the broader policy considerations affecting the climate for Canadian businessmen in the U.S. market. While a good deal of this work involves inter-governmental liaison and contact there are a number of specific areas where the Division can be of direct assistance to Canadian exporters to the U.S..

For example, American Legislation includes a number of statutory provisions related to import relief which can have a direct effect on the interests of Canadian companies. These provisions include investigations into alleged unfair practices in import trade (section 337 of the Tariff Act of 1930) and emergency action to deal with injurious imports (section 201 of the Trade Act of 1974). These and other provisions of the U.S. law are open to American companies who wish to seek relief from import competition. The Trade Relations Division monitors the use of these relief measures closely and can assist Canadian companies who may find themselves caught up in such action.

The Division also monitors closely U.S. adherence to and implementation of the various codes negotiated as part of the recent Multilateral Trade Negotiations including Government procurement, Civil Aircraft Agreement, Technical Barrier to Trade. Canadian firms experiencing difficulties in any of these areas should feel free to contact the Division for assistance.

Since most American buyers view Canadians in the same light as their own domestic suppliers, the onus of dealing with Customs is usually left up to the Canadian exporter. . .

There are a number of U.S. laws which, while drafted with American companies in mind, sometimes result in complications for Canadian firms. The adverse impact on Canadian companies may be due to some confusion as to the intent of the legislations and its implementation. Examples include Cuban Assets Control (Trading with Cuba); Iran Assets Control (financial settlement); U.S. Anti-boycott Legislation and Export Administration Act. On occasion problems arise for Canadian exporters of individual commodities e.g.: uranium (quantitative restrictions on enrichment of foreign uranium), and steel (Trigger Price Mechanism). The Division works closely with Canadian exporters in attempting to minimize the effect on Canadian exports of such U.S. measures.

Among the numerous other U.S. regulations and policies which impact on Canadian business interests and where the Trade Relations Division can offer guidance to Canadian companies are Buy America policies (both Federal and State), copyrights and trade marks, environment and immigration policies and the question of extraterritoriality. The Agricultural and Fisheries field is another area of important trade interest to Canada where a variety of U.S. regulations apply and where the Division can provide guidance to Canadian businessmen.

For further information and assistance concerning access to the U.S. market contact:

**Office of U.S. Relations (USR)
IT&C (29)
235 Queen Street
Ottawa, Ontario
K1A 0H5
Phone (613) 996-5471**



Canada Could Benefit through Bank Projects

Opportunities for increased export trade with Central and South America and the Caribbean was the subject of a series of seminars on the operations of the Inter-American Development Bank (IDB) held early this summer in Montreal, Toronto and Vancouver.

Sponsored by IT&C, it was the third seminar program on international development banks in the past year. A similar series was held on the Asian Development Bank (see Asian Development Bank, Canada Commerce, November 1980). This was followed by a World Bank Seminar on Oil and Gas in Alberta late last fall.



Since joining IDB in 1972, Canada has contributed \$239.1 million. However, Canadian procurement during this period amounted to only \$82.4 million.

By contrast, Canada's overall exports to the region jumped from \$767 million in 1970, to \$3.8 billion in 1980, with capital goods now accounting for 40 per cent of exports. One of the main reasons for Canada's poor record on IDB-funded contracts is that Canadian firms, especially manufacturers, are not bidding on projects financed by IDB.

In announcing the seminars, Trade Minister Lumley stated: "I am confident that once Canadian business people are more aware of the opportunities the IDB provides and have a better understand-

ing of how to work with the Bank, they will successfully compete for a fair share of this market."

In 1980, the Inter-American Development Bank approved loans of more than \$2 billion dollars for projects in energy, transportation, communications, mining and agriculture — all sectors in which Canada has a world-wide reputation for excellence.

In 1981, IDB is expected to approve loans of \$2.5 billion to help finance projects worth more than \$12 billion.

The seminar focussed on projects in the energy, industrial and mining sectors; on IDB's operations and activities; and on how to do business with this bank. During the seminars, IDB executives were also available for private interviews.

One of the key roles of the Inter-American Development Bank is the mobilization of capital.

Only a small share of the bank's capital resources consist of subscriptions actually paid in by its member countries. The major proportion is in the form of callable capital, which has enabled the bank to mobilize large amounts of private capital through borrowings in the world's money markets. For example, many of Canada's chartered banks participate in this type of financing and maintain offices in many of the Latin American and Caribbean countries.

In its guidelines for the '80s, IDB will seek to:

- Intensify and continue its efforts to assure that its lending contributes to the improvement of the economic and social well-being of the low-income sectors of its member countries and to accelerate the progress of the less advanced countries of the region;
- Co-operate with its member countries in implementing strategies to achieve an integrated development of their natural (including energy) resources;
- Join in the efforts being made by Latin American countries to improve the efficiency of their productive systems, making them more competitive in international markets and increasing their exports both within the region and to the rest of the world.

These policies, aimed at raising the standard of living throughout the area, and a rapidly expanding population of more than 300 million people make Latin America the Caribbean one of the most promising future markets for Canadian goods and services.

Contacts made through the large IDB-supported projects can be expected to promote future sales for Canadian businesses involved and to also promote Canadian expertise and products in general. Throughout the seminars, the scores of Canadian business executives at each location were encouraged to become more familiar with this large and expanding market for their products.

It was emphasized by the luncheon speakers who were filling in for Minister Lumley that the Minister and the Canadian government place very high priority on expanding trade and economic relations with the region.

Participants were encouraged to make their initial contacts through their regional IT&C offices or the Bureau of Latin American and Caribbean Affairs which maintains a close watch on proposed projects. Bank projects are also published in the Multilateral Project Opportunities section of Canada Commerce which appears in every second issue.



Other avenues include:

- general and advance notices on projects approved or in the pipeline, which are published in the United Nations Development Forum, Business Edition. Also, Development Forum publishes an IDB monthly operational supplement with the status of the IDB loan and technical co-operation projects under consideration;
- IDB News contains detailed information on project approvals;

- a project procurement profile, which is channeled through the offices of the Bank's executive directors, including Canada's.

In general, public bidding is required on all IDB projects worth more than \$100,000 and is open to all member countries of the Bank. In all cases the ultimate responsibility to buy goods and services rests with the borrower. The buyer is also allowed to apply margins of

preference in favour of local suppliers. This margin is currently 15 per cent.

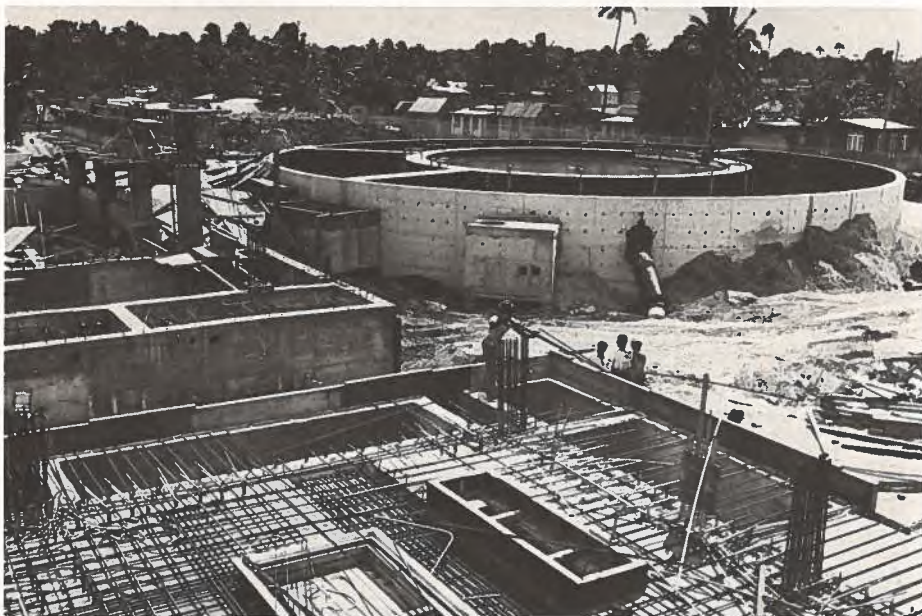
Bidding documents are designed to ensure maximum competition and fairness. No brand names, catalogue numbers or specific types of equipment are included.

When international bidding is required, or a call for prequalification is issued (usually required for complex civil works and turnkey projects) information is made available to all eligible countries, through the general and trade press.

Six national trade organizations, namely, Canadian Association Latin America and Caribbean (CALA), Canadian Exporters' Association (CEA), Association of Consulting Engineers of Canada (ACEC), Canadian Construction Association (CCA), Brazil — Canada Chamber of Commerce and the Canadian Manufacturers' Association (CMA), as well as the provinces of Quebec, Ontario and British Columbia, assisted IT&C in putting on the seminars.

Further information about the Bank or its sponsored projects may be obtained from:

**Projects Division
Bureau of Latin American and
Caribbean Affairs
Industry, Trade and Commerce (87)
235 Queen Street, Ottawa.
K1A 0H5
Tel: (613) 996-5357**



Earlier this year the Canadian government announced its \$350 million Special Industry and Labour Adjustment Program designed to alleviate the hardships caused by permanent large-scale industry dislocation. This will be done by providing a series of community-based measures for industrial restructuring and manpower adjustment. In the July/August issue of Canada Commerce the program was detailed and the communities of Windsor, Ontario, and Sydney, Nova Scotia, were highlighted. In this issue two Quebec communities are profiled. Both have experienced massive adjustments in their major industries — shipbuilding in Sorel-Tracy and forestry and iron ore processing in Port-Cartier-Sept-Îles. While the infrastructure in each area is strong, prospects for their major industries could be bleak. Officers responsible for IT&C's participation in each region indicate here why businesses should seriously consider these areas as sites for new or expanded enterprises.

Sorel-Tracy: Adept at Adapting

by Michael Charland

Founded in the early 1600s Sorel-Tracy is one of the oldest towns in Quebec. From its earliest days the town's vocation began to be directed toward shipbuilding. This vocation was confirmed in the mid-18th century by a royal decree forbidding the use of Sorel wood for any purpose other than shipbuilding. As a result, the first shipyards began operations in the area.

In the mid-19th century the region's second industry, metallurgy and heavy equipment, developed and several foundries were set up in the area. Economic activity was beginning to make itself felt on both sides of the river in Sorel and St-Joseph.

Although various manufacturing industries set up in the region, shipbuilding and metallurgy continued as the main industries until just recently. Only during the 1960s did another type of industry, chemicals, become established.

Greater Sorel-Tracy is located about 70 km southeast of Montreal and covers an area of 743,200 square metres. The census zone includes eight municipalities (Sorel, Tracy, St-Joseph, St-Pierre, Ste-Anne, Ste-Victoire, St-Ours municipality and St-Ours town) with a total population of 43,000. These municipali-

ties form an area that is unified both physically and economically.

The population increased at an average annual rate of 1.8 per cent in 1961 and 1976. In size, it is the sixth largest of Montreal's satellite agglomerations.

Within this built-up area, the towns of Sorel and Tracy are by far the most important in population and in size. Their combined population is about 32,000.

Large population centres — all good markets — are located within a radius of less than 800 km (782 km to New York, 634 km to Toronto and 544 km to Boston).

The region's social infrastructure is also very well developed, with one Protestant and seven Catholic churches. There are 12 schools, seven elementary, three secondary and one college-level, as well as an English elementary school.



Socio-Economic Characteristics

The region's income level is perceptibly higher than the national average. This implies the presence of a very strong middle class. Area inhabitants have generally benefitted from a level of education higher than the national average and the quality of life is very high.

Manufacturing is by far the most developed sector. In 1979, it provided a little more than 53 per cent of the total employment, whereas the tertiary sector accounted for slightly more than 46 per cent. Operations in the primary sector are almost non-existent. These percentages indicate this is one of Quebec's most industrialized regions.

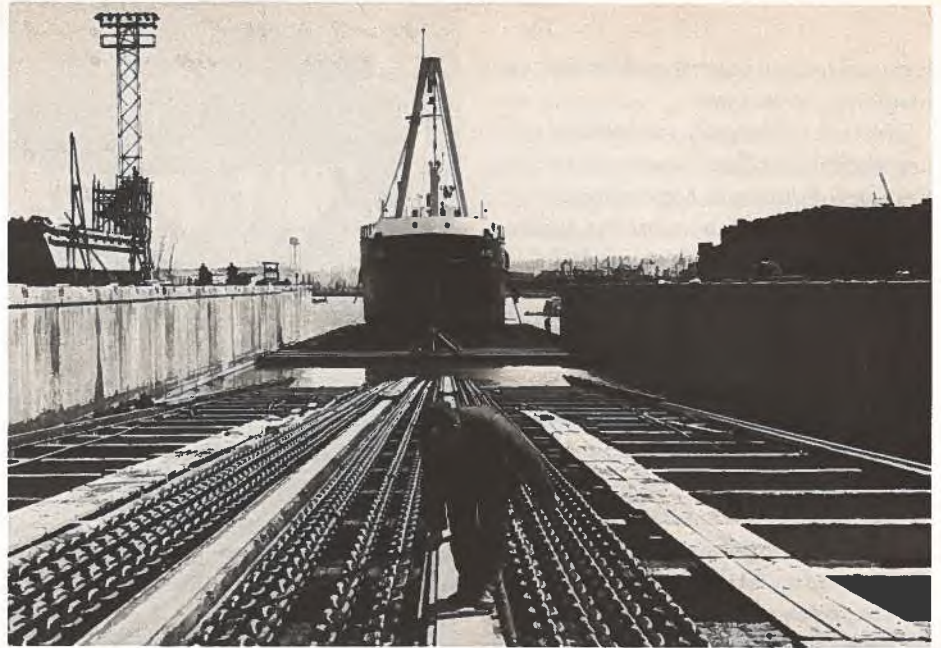


Table I Job Development by Category in the Manufacturing Sector for Greater Sorel-Tracy

Category	Number of Jobs		Number of Businesses in 1979
	1977	1979	
Heavy Equipment	3,725	4,144	7
Metal processing	2,944	2,829	7
Metal products	175	254	22
Textiles, hosiery, clothing	936	1,052	12
Chemical Manufacturing	350	352	4
Electricity	114	116	1
Food and Drink	105	110	10
Wood	72	80	15
Furniture	72	75	13
Printing and Publishing	41	68	8
Non-metal products	68	55	3
Transport and Storage	59	53	2
Miscellaneous	13	10	5
Total	8,674	9,198	109

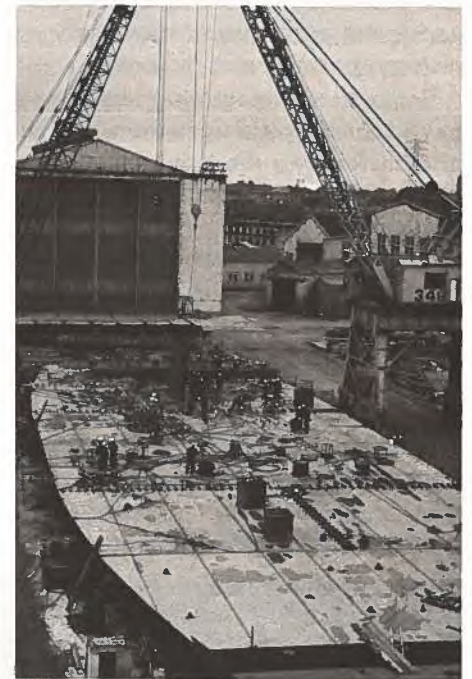
Sources: — Commission de développement économique Sorel-Tracy région (Economic Development Commission — Sorel-Tracy and area)
— Secor Inc.

Although the majority of jobs were created by the large companies, a significant number were generated by the region's small- and medium-sized businesses. The region's manufacturing structure is undergoing a period of rapid change. The last industrial census, carried out in 1979 by the area's Corporation Industrielle, indicated that 109 manufacturing firms were operating in the region, in at least 12 major sectors. Among the main ones were heavy equipment manufacturing, fol-

lowed by metal processing and the textile, hosiery and clothing industries. The fourth largest source of employment was chemical manufacturing.

The area's industrial structure is obviously very diversified. Also, on a per capita basis, the number of small- and medium-sized businesses is very high, an indication of the people's dynamic and enterprising nature.

The region's industrial history shows the community knows how to



adapt to the various businesses and industries established there. Large companies were set up, and small- and medium-sized businesses were able to adjust to the needs generated by these large companies.

Several organizations and businessmen's groups are also indications of the region's vitality.

Industrial Assistance

Businesses wishing to locate, expand, or modernize in the Sorel-Tracy region can benefit from several

forms of assistance offered by various levels of government.

Most manufacturing industries are eligible for the Department of Regional Economic Expansion's incentive programs under the terms of the regulations on designated areas. Thus, in addition to a 7 per cent investment tax credit, a manufacturing company in the Sorel region can receive financial assistance of up to 25 per cent of the capital expenditures for new establishments, and 20 per cent for modernization or expansion projects. In order to qualify, there must be a minimum investment of \$100,000.

Incentives may also be obtained for capital expenditures in research and industrial development, **as well as for the purchase of new technology, patents and licences.**

Regional manufacturing businesses have access to other programs administered by the federal and Quebec Departments of Industry, Trade and Commerce, and la Société de Développement industriel (S.D.I.) (the Quebec Industrial Development Corporation (Q.I.D.C.)). These companies may take advantage of substantial tax deductions offered by the Quebec government.

In another vein, a special program designed to give new impetus to the local economy was recently announced by the federal government.



Through this program, companies wishing to establish in the Sorel-Tracy region (which also comprises St-Joseph-de-Sorel, St-Pierre-de-Sorel and Ste-Anne-de-Sorel) may benefit from, among other things, extraordinary financial assistance in the form of interest-free loans, which are provided for up to 50 per cent of the capital expenditures. Given the present high interest rates on loans, this measure constitutes substantial support in the eyes of many businessmen.

Transportation

Sorel-Tracy is served by two express ways and several secondary roads.

Four large trucking companies have their terminals there, and Canadian National provides daily container, as well as rail and road transport, services to the locality of Contrecoeur (less than 16 km away). In addition, the Sorel region is near two international airports, Mirabel (108 km) and Dorval (87 km). The area boasts a local airport with a 1,829 m runway and a port with a channel 11 m deep, equipped with nine wharves and most port services.

The unparalleled quality of its road network and its proximity to Montreal give Sorel-Tracy a significant comparative advantage in terms of transportation costs and unhampered accessibility to regional, national and North American markets.



Port-Cartier-Sept-Îles: Search for New Industries

by Marc de St. Hillaire



Port-Cartier

The town of Port-Cartier obtained its charter in 1959 and owes its name to the port, which was built by the Compagnie minière Québec-Cartier. Iron ore was the main attraction which ensured Port-Cartier's development and for several years the town experienced unprecedented prosperity.

Since the closing of Rayonier-Québec and the laying-off of more than 1000 workers, the town has been actively seeking to attract new industries. The presence of established industries, such as Compagnie minière Québec-Cartier and Sidbec-Normines, indicates that Port-Cartier, like other towns along the North Coast, is a centre for processing natural resources. The town's economic orientation leans toward fisheries development, possible hydro-electric development and, a major concern, the re-opening of ITT-Rayonier.

In fisheries, several projects are under study. These relate to the crab and the famous Matane shrimp which are caught across from Port-Cartier-

Sept-Îles, and to the cod, rosefish and other species which are caught by Gaspé fishermen.

As to the re-opening of ITT-Rayonier, some projects are under study and the company may possibly open on a more modest scale.

By making Port-Cartier a specialized zone, the federal government has raised the hopes of the region. The local counties' energetic efforts to adapt — aided by the economic expertise of various departments — indicate Port-Cartier can again become the thriving town it was just a few short months ago.

The future is optimistic.

Sept-Îles

Declared a city in 1959, Sept-Îles gets its name from the seven islands protecting the bay. Jacques Cartier first mentioned its name in an entry to his ship's log on August 18, 1535.

In the early 1950s the mining of iron ore deposits awakened an unparalleled surge of economic activity. The Iron Ore Company of Canada became the most important producer of ore in the country. How-

ever, over the past two years, the area has been confronted with some major difficulties caused by the steel crisis on the world markets and particularly the crisis in the American automotive industry. On May 15, 1980, the Iron Ore Company of Canada closed its plants (constructed in 1972 at a cost of \$200 million) and dismissed 600 workers.

But Sept-Îles is not defeated: The area has many advantages that should not be overlooked by investors. For example, the construction of a harbour, which has been under discussion for a long time, could awaken great economic activity. This would require Sept-Îles becoming a major transshipment point for American coal bound for Europe. Grain could also become an important transshipment commodity. These plans are currently being discussed at various government levels.

Several projects are under review for Sept-Îles to develop its fishing industry more thoroughly. The special zone designation will encourage the establishment of medium-sized businesses and also encourage more capital to be invested in the North Coast region.

Moreover, Sept-Îles is a veritable tourists' paradise. Hunting and fishing enthusiasts will have unlimited possibilities from which to choose. The famous Moisie River is world-renowned for its abundance of salmon. A tourist can also try his hand at fishing on the high seas and camping enthusiasts can enjoy numerous outdoor activities.

In conclusion, considering the area's many advantages and, as has been shown over the years, its ability to adapt, we are led to predict that the present situation is perhaps only a slight pause in a continuing economic development.

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Supported by the Saskatchewan Department of Industry and Commerce and the Federal Department of Industry, Trade and Commerce — which brings in international buyers and does year-round promotion on the international scene — the Western Canada Farm Progress Show is sponsored jointly by the Regina Exhibition Association and the Regina Chamber of Commerce. Only four years old, it attracts some 400 exhibitors and more than 50,000 visitors. And — in terms of sales, joint business ventures, the number of exhibitors and visitor attendance — the show is growing each year.

Farm Show Spotlights Progress

by Don Wight

It takes more than cool, wet weather to dampen the spirits of Canada's prairie farmers — especially when the event is the opening day of the Western Canada Farm Progress Show.

The wet weather, in fact, could very well have been a blessing in disguise. Not only was it badly needed to end the long, dry spell, the rain meant the farmers could not work their fields for a few days. They were thus free to spend more time at the show.

As one farmer, viewing a display of high-quality equipment was overheard saying: "We got a million dollar show and a ten million dollar rain."

And while the weather plays a most significant role in the day-to-day operations of the prairie farmer, it was equally obvious that the Western Canada Farm Progress Show was an occasion not to be taken lightly.

According to show chairman Ivan Thue this year's show saw more than \$100 million dollars worth of farm equipment and machinery on display. As well, more than 50,000 people attended the four-day event.

Held this year June 17 to 20 at Regina Exhibition Park, the Western Canada Farm Progress Show is only four years young — yet already it has attained international stature. This year, for the first time, an offshore country had set up a display.

As Mr. Thue commented: "In terms of visitor attendance, equipment variety and display quality, our show already ranks with the top five in North America."

But Thue and his energetic committee are not ones to rest on their laurels.

"Our far-reaching goal," he avers, "is to offer a show that will include first-class displays by major farm equipment manufacturers from Australia, Europe, Asia and South America, in addition to equipment made in North America — which we now have in great variety."

And, he adds, "This goal now appears



to be within reach as two European countries have indicated they will be displaying equipment in the 1982 show."

Judging by this year's show that far-reaching goal is rapidly approaching reality.

As compared to the 1979 and 1980 shows, which saw displays by some 300 exhibitors, the 1981 event had approximately 400 exhibitors, representing virtually every facet of farm and farmstead procedure. Expansion to accommodate this 33 $\frac{1}{3}$ per cent increase required the refurbishing of the Regina Exhibition's Grain Show and Ag-Ex Pavilions. Additions to these buildings brought the total show space to more than 1,100,000 square feet, or more than 25 acres.

The "first" that was probably most important to show organizers was Italy's attendance as the first offshore country with a display area.

Ranked as the world's third largest manufacturer of farm equipment, Italy had a colourful and informative 1,000 square-foot booth that displayed, through literature, its dry land farming implements and its latest developments in a

variety of farming techniques.

As Canada does considerable trade with Italy, the Italian display was of even greater interest.

In 1980, Canada exported more than \$972 million worth of agricultural machinery to Italy. In the same year, Canada imported Italian agricultural machinery worth approximately \$603 million. During the first quarter of 1981, Canada's export of farm machinery to Italy totalled \$290 million while our country's imports amounted to \$163 million.

"This year," said Giovanni Giordano of the Italian Trade Commission, "we came with an information office to give an idea of what we have. We hope in the future to come with equipment," he added.

"Our main duty is to promote (Italian agricultural machinery). We're also looking to see what can be done together, a joint venture between Canada and Italy," he said.

International flavour was also provided by representatives or delegations from another 15 countries. These included Argentina, Australia, the People's Republic of China, Egypt, France, Great

Britain, Japan, Mexico, The Netherlands, New Zealand, Nigeria, Portugal, the U.S., West Germany and Zambia.

All were hosted by the federal Department of Industry, Trade and Commerce in the hope these guests would gain an appreciation of the innovative technology on display and that they would help increase export sales by Canadian manufacturers.

All came primarily to compare products and prices with Western manufacturers and farmers. Some, like Zambia, were interested in entering into joint ventures.

All were hosted by the federal Department of Industry, Trade and Commerce in the hope these guests would gain an appreciation of the innovative technology on display and that they would help increase Canadian export sales.

Bob Penfold of Great Britain was "more on a observation trip" and was particularly interested in tractors.

"We supply tractor cabs in Europe so would like to take a look at the North American market from a design point of view," he said.

"We are," he added, "also trying to get a sense of Canadian needs so as to possibly sell to Canada."

One United States delegate "came here to see the equipment. We already have some distributorships and are considering a few more."

Of the show itself, he noted: "The quality is very good — and, of course, so is the dollar value!"

Virtually all foreign attendees recognized the high calibre of the machinery on display and virtually all agreed that the devalued Canadian dollar made buying Canadian goods an attractive proposition.

Mexican representative Hermann Westphal commented that buying farm machinery from Canada made more sense than buying comparable goods from the United States at the present because of the difference in the value of their currencies.

Although Mexico at the moment imports a limited amount of Canadian farm machinery, the potential exists for future trade.

"We are interested in importing machinery we do not manufacture in Mexico, such as tractors, 150 horsepower and up," said Mr. Westphal.

He also noted: "We have an immediate need for grain dryers, grain augers, rock pickers and storage houses."

About the only problem that could conceivably confront Mr. Westphal — and other potential importers — would be deciding which company and which

product would best fulfill their needs — so varied were the exhibits.

To mention just a few, there were: Morris Rod Weeder with field cultivators, reset plows, three and four-bar harrows, hydraulic harrow drawbars, press drills and hay-hikers; Fairford Industries with its widely exported steel buildings; Bourgault Ind. with air seeders, cultivators and harrows; or Brandt Machine & Mfg. with grain and utility augers and drill fills.

Then there was Degelman Industries with rock pickers, rock rakes, dozer blades, chisel plows, field cultivators and land preparation equipment; Heenan Industries with bin cleaners, hydraulic drill fills and NH₃ equipment; and Flexi Coil with air seeders, harrow drawbars, multiple hitch, packer, harrows and packer drawbars.

And of course there were Leon's Mfg., Schulte Industries, Rite Way Mfg. and Rock-O-Matic with rock pickers, rod weeders, street sweepers and rotary snow blowers.

There was something, indeed, to suit practically any dry land farming requirement.

And little wonder!

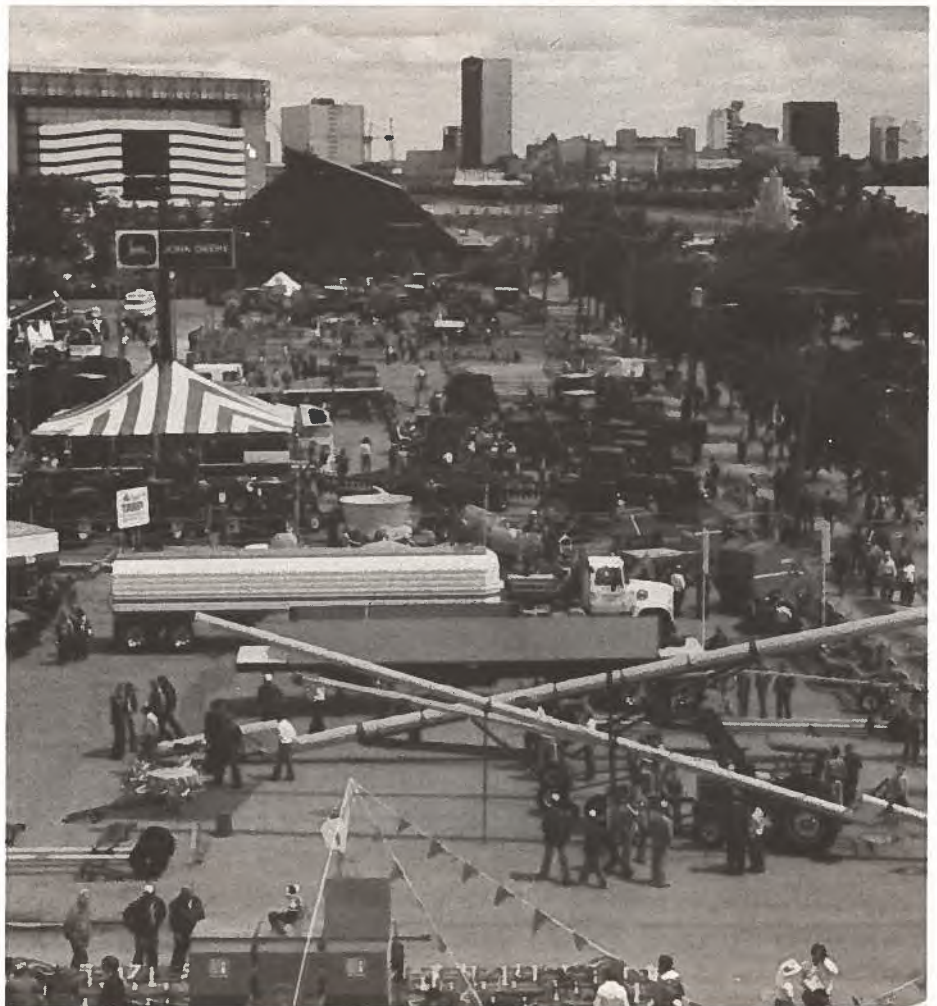
After all, Saskatchewan, having suffered through the drought of the 1930s, has become, through first-hand experience, a leading expert in all aspects of dry land farming which places emphasis on minimum tillage and moisture conservation. As a result, the province's machinery and techniques have found widespread acceptance and application.

As Norman Vikar, Saskatchewan Minister of Industry and Commerce, noted: "Because equipment design is based on practical experience, we meet and exceed world standards in terms of quality and technology."

"And," he added, "because our firms are small, they are flexible — enabling us to meet the varying conditions of the world markets."

This flexibility can be seen at one of the show's most popular displays — the innovations and new concepts exhibits held in the Jubilee Building.

This is where new inventions by more than 50 farmers and participating companies are first exposed to the public. While some of the inventions could prove quite expensive, there are others — providing food for thought — that farmers themselves could inexpensively adapt to their own particular needs.



For instance, a swather attachment designed by University of Saskatchewan engineering students to trap snow could cost only an hour in the work shop and three welding rods. To purchase many attachments could cost thousands of dollars.

The students, however, came up with an inexpensive way to transform a conventional swather into a useful snow trapper. By leaving taller stubble, more snow — which provides valuable moisture for crop land — can be trapped. That's what the student-designed (and farmer-adapted) attachments do.

Other inventions on display included a stiff-tooth harrow, a safety device for augers, a new grain-drying method, a

computer weed control program, and the latest in crop spray nozzles.

Dave Farden, a Pilot Butte welder, had a multi-purpose lift-off trailer on exhibit. The top of the livestock trailer can be lifted off so the trailer can be used to haul everything from cars to straw — a practical concept because, normally, conventional trailers are used only to transport livestock. The rest of the year they sit idle.

Not surprisingly, given the energy and ambitions of show organizers, there is much more to the Western Canada Farm Progress Show than the display of farm equipment and machinery.

Among other daily events were the Ladies' Program which featured continuous presentations and demonstrations which ranged from fashion displays to live art demonstrations; a Horticultural Program where qualified men and women gave daily lectures and demonstrations; handcraft displays, boutiques and even cooking demonstrations.

As well, on the main entranceway to the grounds, were two old-time steam

tractors, a Case 2060 single engine and a 16-ton Garr-Scott double simple tractor. Both were in working condition and date back to the early 1900s. Located near a 1981 ammonia-powered automobile, it was obvious the progress that has been made.

Of all the non-farm machinery and equipment displays, the highlight and biggest crowd pleaser had to be the exhibit depicting the story of grain transport by rail!

Titled "Farm to Port — No Simple Journey", the display illustrated the tremendous yet romantic tasks involved in the shipment of grain from farms to export positions.

An equally tremendous task must have been the designing, building and setting up of the display.

It featured four trains carrying grain from the nation's breadbasket to Vancouver, Thunder Bay, Prince Rupert and Port Churchill. All were HO-scale model trains, running continuously on a set measuring 100 feet long by 50 feet wide that depicted, in colourful topographic detail, the prairie grain belt, mountains, grain elevators and shipping ports.

Sponsored by Canadian National and Canadian Pacific railways and the Regina Exhibition Association, the 5,000 square-foot display was a project of the Regina Model Railway Guild that took three months and hundreds of man-hours to complete.

The biggest portable model train set up ever built in Canada and probably the nation's biggest, portable or stationary, it featured 1,000 feet of track, 30 engines and more than 200 grain and service cars.

While all these peripheral displays proved popular and informative — not to mention progressive — the farm show itself was the centrepiece.

As show chairman Ivan Thue summed it up: "Basically, the Western Canada Farm Progress Show offers its patrons the opportunity of seeing the new farm machines and models of many manufacturers, and comparing them performance and price-wise."

And a month after the event what are Mr. Thue's observations on the show?

"It was," he says, "the first time we charged at the gate. We did not like to do this but it helped cover advertising costs — and the quality was higher (than in previous years). Overall, it was a great success."

Already, Thue and his group are planning for next year's show which will see an expansion of 4½ acres, providing space for another 60 to 70 exhibitors. And he expects more international exhibits for the 1982 event.

"Sweden and Australia have indicated an interest in bringing equipment," he beamed.



Going into business for yourself has its risks as well as its rewards. In this, the first in a three-part series on the subject, the Federal Business Development Bank perceptively considers the advantages and disadvantages of. . . .

Buying an Existing Business

Like many other Canadians, you've decided you want to be in business for yourself. Why? Is it because of the independence having your own business confers? Is it because you think you would do better working for yourself instead of for others? Is it the challenge?

These aren't idle questions. It's important that you know exactly why you want to be in business for yourself. The reasons will have an influence not only upon the business you enter but on the way you enter it.

You must also ask yourself whether you are prepared to work the long hours, to take the financial risks, to learn the managerial skills which are essential if your business is to be successful. Starting a new business and making it successful is a demanding undertaking. More than 65 per cent of new businesses fail within their first five years.

Let's assume you know why you want to be in business for yourself and that you are fully prepared to meet the conditions. The question now is which one of the three basic ways of starting your business should you choose.

Should you buy an existing business? Should you buy a franchise? Or should you start from scratch? Each has its advantages and disadvantages. You should know what they are if you are to make the right choice. Let's start with the advantages and disadvantages of buying an existing business.

Probably the most important advantage is that you can see what you are buying. An existing business has a record of performance that you should be able to examine. It has assets to which a price can be fixed.

Probably the most important advantage is that you can see what you are buying. An existing business has a record of performance that you should be able to examine. It has assets to which a price can be fixed. If it has been a successful business, the chances of its continuing success under your ownership are greatly improved.

As an ongoing operation, it will have an inventory with accompanying lines of credit, an established location and a recognizable clientele. Equipment and fixtures will be in place and their capabilities known. Sales can be realized from

the start. As the new owner, you should have the benefit of the experience of employees and of the previous owner.

Moreover, you'll probably find it much easier to obtain financing for an existing business. Raising the purchase price may be, in fact, all the immediate financing you'll require.

Finally, by buying an existing business, you will save the time, the cost and the energy needed to thoroughly plan a new business. You will be starting, for all practical purposes, where the previous owner has ended.

The disadvantages of buying an existing business are as numerous as the advantages. For one, you'll be buying all the wrong decisions made by the previous owner as well as the right ones. The location may not be adequate to support expansion. The premises may need renovation. If the premises are leased, the landlord may be uncooperative.

Another disadvantage is that the precedents and practices of the previous owner may be too firmly ingrained to be quickly or easily changed. The introduction of new products or lines of merchandise may be resisted. Some employees may leave; others may have to be let go. Changing the image of the business, if that is necessary or desirable, will be difficult.

The price you pay for an existing business may be more than it is worth under your ownership. There are many reasons why this could be so. The former owner, for example, may have had long-time associations with certain customers

which, with his departure, may not be renewed.

These advantages and disadvantages of buying an existing business have to be weighed and evaluated, one by one, within the context of what you know about your own capabilities and what you have been able to find out about the business itself.

If it is a successful business, why is its owner prepared to sell? Is he at retirement age? Are there no children or other relatives to carry on the business? Or does the owner know of some development which might be damaging to the business in the future and is getting out, while he can, at your expense?

Possibly the conditions under which the owner first established the business and made a success of it are no longer as favourable to it in the future as they have been in the past. If so, you as the new owner may have to make extensive and costly adjustments which could add significantly to your original purchase price.

If the business is not as successful as it should be, are you as the new owner confident that you have all the right methods for correcting this condition? Will you have sufficient financial resources and all the necessary managerial skills?

These are some of the more important questions for which you must also have the answers when weighing and evaluating the advantages and disadvantages of buying an existing business. Certainly, buying an existing business is the quickest way of getting into business for yourself but it has its risks as well as its rewards.

Next: The advantages and disadvantages of going into business for yourself by buying a franchise.

Should you be interested in finding out more about going into business for yourself, the Federal Business Development Bank offers a self-instructional program, "Evaluating a Business", which may be of interest. Known as a Management Clinic, it consists of a 20-minute audio-visual presentation and accompanying workbook. This Management Clinic is available, at a nominal charge, at any FBDB branch office across Canada.

Canadian Merchandise Trade by Industrial Sector



Canadian trade, viewed from the vantage point of industrial — rather than traditional — commodity groupings, provides an industrial analyst with a welcome extension of industrial data which take account of industrial developments and conditions reflected in other industrial statistics generated by Statistics Canada. This added dimension is accomplished by allocating export and import commodities to the industries that produced them (exports) or would have produced them (imports) in Canada within the Standard Industrial Classification system. The familiar SIC system in Canada is the backbone of statistical series dealing with production, employment, wages, prices, inventories, orders, etc., and thus the transformation of the trade data assists in industrial analysis. It is often of crucial importance to know, for example, which industries are involved in trade, to what extent do they trade, or how sensitive their trade is relative to other major segments of the Canadian economy and their markets?

This article will briefly describe the major features of Canadian trade from this industrial point of view between 1970 and 1980 by indicating some of the changes that transpired in this period. In addition, developments in geographical markets at the overall level of trade will also be discussed for the same period. The reader will be referred to the accompanying Tables 1-4 which summarize the analysis.

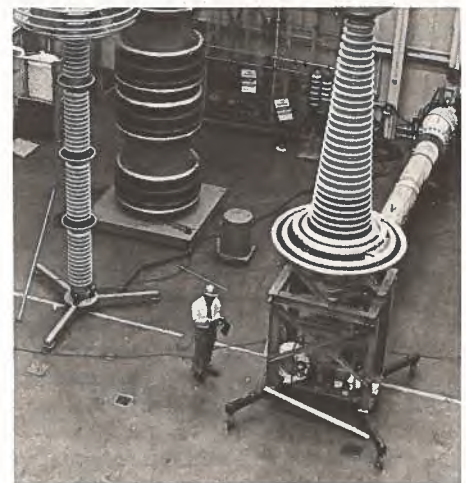
Canadian total exports of goods increased from \$16.8 billion in 1970 to \$75.9 billion in 1980. The average annual rate of growth was 16.3 per cent per annum. As is apparent from **Table 1**, exports of manufactured products accounted for the largest share, about 71 per cent, in the distribution among major industrial goods producing sectors. The second largest group of Canadian exports originates with the mining industries, about 19 per cent, providing our trading partners with processed metal, mineral and energy resources. Canadian agriculture ranks third with a share of

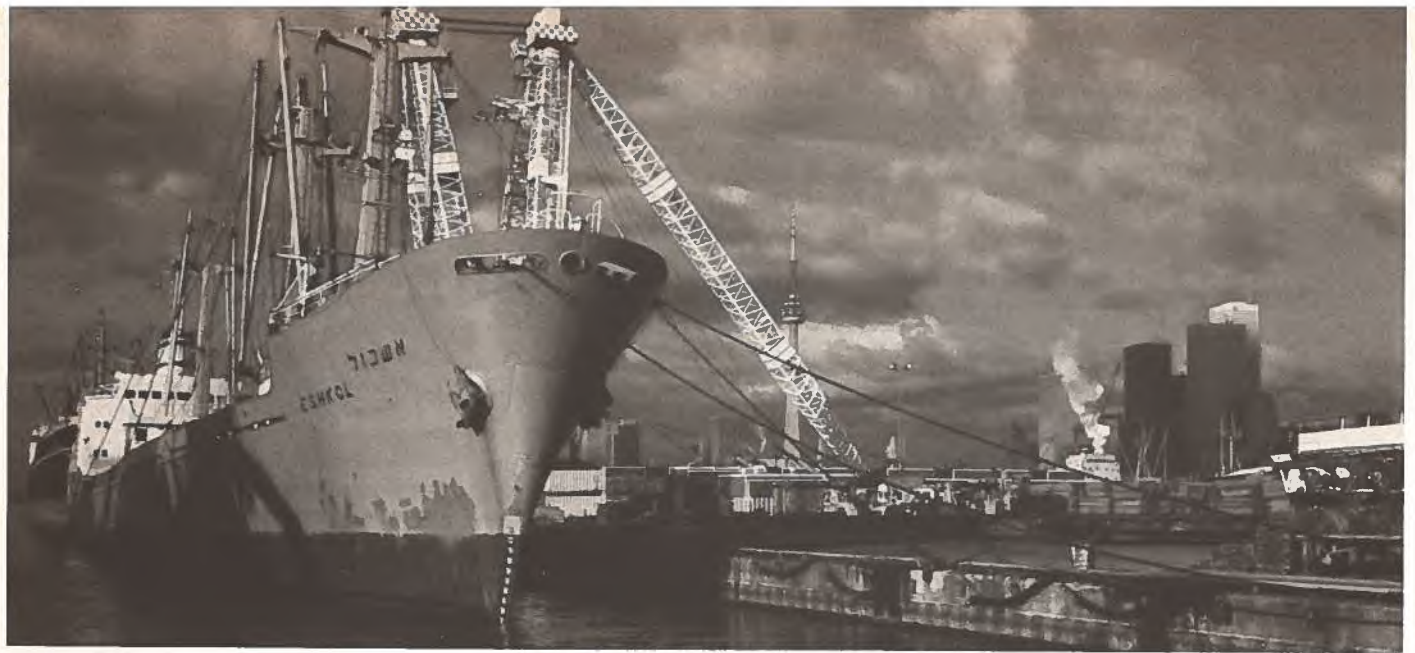
7.6 per cent over the period. Forestry, fishing and trapping held a relatively insignificant share of total exports as Canadian exports of forestry and fishing resources typically have undergone further processing and thus reach foreign markets in the form of fabricated or manufactured products, accounting for a significant proportion of manufacturing exports. In this same way processed minerals and metals and food and beverages, which represent the transformed resources of mining and agriculture, are accounted for in manufacturing.

A brief examination of **Table 1** also reveals the relative stability of the forestry and fishing/trapping share to the much more volatile shares of agriculture, mining and manufacturing. The latter are much more affected by cyclical demand fluctuations in international markets, crop conditions, energy (crude oil) prices and a complex set of competitive pressures.

For example, the increased share of agriculture exports in 1974-75 corresponded to the world crop failures associated with elevated export prices of wheat and cereals. In mining, the increased prices of crude oil in 1973-74 temporarily buoyed our exports thereby raising the share of this sector sharply prior to the oil export cutbacks in 1978. Manufacturing's share follows the slowdown in world trade in 1974-75 and reflects the overshadowing growth of exports in agriculture and mining. This is confirmed by the return of manufacturing's share in 1978 to its previous high value. The decline of this share in 1980 attests to the depressed economy of the large United States market and the associated problems in automotive trade.

Canadian total imports of goods increased from \$13.9 billion in 1970 to \$69.1 billion in 1980, representing an average annual growth rate of 17.4 per cent, only marginally higher than that of exports. **Table 2** shows the structure of imports over the period and indicates that manufactured products hold an even





larger share of total merchandise imports than exports. This reflects the fact that Canada imports little in the form of raw or partly processed commodities since it ranks high on the list of suppliers, but a lot in the area of fabricated and/or manufactured products.

Agriculture's share of total imports was between 2 and 2.5 per cent and for mining 10.7 per cent over the period. The shares accruing to forestry and fishing and trapping were again insignificant and stable. However, the share of mining went up sharply due to the increased prices for oil imports in and after 1974 and was from time to time affected by the changing market conditions and prices for mineral and metal supplies not available in Canada. The fluctuating share for manufactured products is again strongly conditioned by the relative changes in mining shares as well as the Canadian demand climate for producer and con-

sumer goods. The notably decreased share in 1974-75 and again in 1980 coincide with divergent trends in imports for consumer and producer goods.

The geographical distribution of Canadian trade (tables 3-4) shows to what extent Canadian trade depends on the large, neighbouring market of the United States. In both directions the share is between 65 and 70 per cent, fluctuating with demand conditions in Canada, in the U.S. and abroad.

Canada's second largest market in terms of exports or imports is Japan. The rate of growth of exports to Japan was notably higher than that to the U.S. and more than double that to the United Kingdom. In this period Japan replaced the United Kingdom as our second largest market; the U.K. share of our exports declined steadily up to 1978 and increased only moderately in the last two years. A declining trend in our export

share is also visible with the European Economic Community (including Britain) but to a lesser extent. One can also note that Canada's trade is very highly concentrated in the eleven countries represented by the U.S., Japan and the EEC(9). The "rest of the world" holds approximately a 15 per cent share.

Canada's geographical import share is similar to those of exports. However the U.S. share of our import market, around 70 per cent, is much more stable. This holds true also for Japan. The decreasing share of imports from the European markets is also clearly visible, but to some extent reflects a diversification of our markets to the "rest of the world".

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TABLE 1 Canadian Total Exports by Major Sector 1970-1980
 (millions of dollars, percentage distribution)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	Average Annual Rate of Growth 1970-80
Agriculture	1,200 7.1	1,488 8.4	1,612 8.0	2,222 8.7	3,090 9.5	3,148 9.4	3,020 7.8	3,100 7.0	3,433 6.5	4,273 6.5	5,713 7.5	16.9
Forestry	67 0.4	47 0.3	34 0.2	32 0.1	49 0.2	47 0.1	52 0.1	71 0.2	67 0.1	92 0.1	115 0.2	5.6
Fishing & Trapping	90 0.5	89 0.5	113 0.6	123 0.5	119 0.4	124 0.4	153 0.4	189 0.4	260 0.5	329 0.5	381 0.5	15.5
Mining	2,678 15.9	2,884 16.2	3,208 15.9	4,404 17.3	7,356 22.7	7,706 23.1	8,113 21.1	8,588 19.3	8,365 15.7	11,775 17.9	14,407 19.0	18.3
Manufacturing	12,561 74.7	13,131 73.7	14,956 74.2	18,296 72.0	21,313 65.7	21,901 65.7	26,519 68.9	31,900 71.6	40,140 75.5	47,380 72.2	52,888 69.6	15.5
Total	16,820	17,820	20,150	25,421	32,442	33,328	38,475	44,554	53,183	65,641	75,964	16.3

Note: Exports on Customs Value basis

Source: Economic Intelligence Branch, ITC, derived from Trade of Canada, Statistics Canada

TABLE 2 Canadian Total Imports by Major Sector 1970-1980
(millions of dollars, percentage distribution)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	Average Annual Rate of Growth 1970-80
Agriculture	363 2.6	376 2.4	414 2.2	665 2.9	855 2.7	825 2.4	922 2.5	921 2.2	1,073 2.1	1,299 2.1	1,493 2.2	15.2
Forestry	30 0.2	33 0.2	52 0.3	53 0.2	72 0.2	65 0.2	63 0.2	67 0.2	90 0.2	121 0.2	99 0.1	12.7
Fishing & Trapping	7 0.1	9 0.1	14 0.1	22 0.1	27 0.1	28 0.1	37 0.1	42 0.1	49 0.1	89 0.1	80 0.1	27.6
Mining	849 6.1	978 6.3	1,142 6.1	1,494 6.4	3,408 10.7	4,476 12.9	4,358 11.6	4,520 10.7	4,925 9.8	6,625 10.5	10,052 14.5	28.0
Manufacturing	12,108 86.8	13,595 87.0	16,334 87.5	20,211 86.6	26,112 82.3	27,982 80.6	30,660 81.8	35,186 83.1	42,293 84.4	52,575 83.6	54,668 79.1	16.3
Total	13,952	15,618	18,669	23,325	31,722	34,716	37,494	42,363	50,108	62,871	69,128	17.4

Note: Imports on Customs Value basis

TABLE 3 Canadian Total Exports by Major Market 1970-1980
(millions of dollars, percentage distribution)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	Average Annual Rate of Growth 1970-80
Total Exports	16,820	17,820	20,150	25,421	32,442	33,328	38,475	44,554	53,183	65,641	75,964	16.3
United States	10,548 62.7	11,717 65.8	13,629 67.6	16,776 66.0	21,000 64.7	21,313 63.9	25,446 66.1	30,777 69.1	36,934 69.4	44,535 67.8	48,062 63.3	16.4
Japan	805 4.8	826 4.6	856 4.2	1,793 7.1	2,214 6.8	2,130 6.4	2,393 6.2	2,515 5.6	3,057 5.7	4,071 6.2	4,351 5.7	18.4
United Kingdom	1,405 8.4	1,302 7.3	1,357 6.7	1,553 6.1	1,866 5.8	1,736 5.2	1,841 4.8	1,884 4.2	1,963 3.7	2,596 4.0	3,175 4.2	8.5
EEC (9)	2,585 15.4	2,427 13.6	2,519 12.5	3,099 12.2	4,014 12.4	4,057 12.2	4,493 11.7	4,577 10.3	4,878 9.2	7,154 10.9	9,363 12.3	13.7
OECD	14,609 86.9	15,611 87.6	17,701 87.8	22,472 88.4	28,379 87.5	28,442 85.3	33,390 86.8	39,113 87.8	46,095 86.7	57,637 87.8	64,305 84.7	16.0

Note: Exports on Customs Value basis

TABLE 4 Canadian Total Imports by Major Market 1970-1980
(millions of dollars, percentage distribution)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	Average Annual Rate of Growth 1970-80
Total Imports	13,952	15,618	18,669	23,325	31,722	34,716	37,494	42,363	50,108	62,871	69,128	17.4
United States	9,917 71.1	10,951 70.1	12,878 69.0	16,502 70.7	21,387 67.4	23,641 68.1	25,790 68.8	29,821 70.4	35,399 70.6	45,549 72.4	48,443 70.1	17.2
Japan	582 4.2	803 5.1	1,071 5.7	1,011 4.3	1,430 4.5	1,205 3.5	1,524 4.1	1,795 4.2	2,275 4.5	2,159 3.4	2,796 4.0	17.0
United Kingdom	738 5.3	837 5.4	949 5.1	1,005 4.3	1,126 3.5	1,222 3.5	1,149 3.1	1,276 3.0	1,608 3.2	1,928 3.1	1,974 2.9	10.3
EEC (9)	1,587 11.4	1,821 11.7	2,164 11.6	2,482 10.6	3,047 9.6	3,296 9.5	3,139 8.4	3,638 8.6	4,649 9.3	5,587 8.9	5,541 8.0	13.3
OECD	12,622 90.5	14,110 90.3	16,817 90.1	20,870 89.5	26,984 85.1	29,346 84.5	31,688 84.5	36,516 86.2	43,788 87.4	55,113 87.7	58,917 85.2	16.7

Note: Imports on Customs Value basis

Project Opportunity

Colombia — El Cerrejon Coal Project

IT&C wishes to advise all Canadian manufacturers of a significant export opportunity — the El Cerrejon coal project in the Republic of Colombia.

Through its state agency, Carbones de Colombia, S.A. (CARBOCOL) and in association with International Colombia Resources Corporation (INTERCOR), a wholly owned subsidiary of Exxon, the Colombian Government intends to exploit the coal deposits located in the Province of Guajira. This is an undertaking of major proportion which will include the following developments:

- An **open cast coal mine** using conventional truck and shovel excavation and transport methods. The pit will be designed to produce an average of 15 million metric tons per year when operating at full capacity. Proven reserves exceed 3 billion metric tons.
- Construction of a **deep water port** facility at Bahia de Portete, capable of accommodating ships up to 100,000 ton displacement with possibility of expansion of facilities for ships of 250,000 ton displacement.
- Construction of a 150 km **railroad** from the Bahia de Portete to the mine site.
- **Infrastructural requirements** which include two town sites, access roads, power transmission systems, telecommunication systems, two airports and additional requirements not yet specified.

The project has imported equipment and material requirements valued at approximately U.S. \$1.5 billion.

This project should be of special interest to producers of mining, material handling, railroad, dredging, telecommunications, power distribution and ancillary equipment and materials.

The Export Development Corporation (EDC) is prepared to arrange the financing for the successful Canadian exporters of Canadian goods and services for this project.

All interested parties should be aware that **PRE-QUALIFICATIONS FOR SUPPLY CONTRACTS** are now being solicited by the Principal's Consultant, Morrison-Knudsen Company Inc. and interested exporters should register as soon as possible.

All submissions should be addressed to:

Mr. Robert Bush
Procurement Manager
Cerrejon Coal Project
Morrison-Knudsen Company Inc.
BURLINGAME, California
U.S.A. 94010

Telephone: (415) 579-4009
Telex: WUD 172553

with duplicate copies of all documents addressed to:

Dr. Fernando Copete S.
Gerente
Carbones de Colombia, S.A.
Aptdo, Aéreo 29740
Avenida 40A No. 13-09, Piso 5
Bogota, C.E. Colombia

Telex: 45779 CEBOL CO

and copies of your covering letter to:

Mr. Frederick J.N. Spoke
Bureau of Latin America & Caribbean Affairs
Industry, Trade and Commerce
Ottawa, Canada
K1A 0H5

Telephone: (613) 996-5357
Telex: 053-4124



Canadian furniture manufacturers now are more optimistic about their industry's future as a result of a concerted effort for export sales mounted by the Montreal Furniture Market and the federal Department of Industry, Trade and Commerce. Here, Bob McDonnell of Canada Commerce, summarizes the results of these efforts.

Canadian Furniture Industry Report

This three-pronged effort included an IT&C-sponsored study of the greater New York market, export seminars and sponsorship of selected major furniture buyers from the United States to the Montreal Furniture Market "Direction '82" show held at the Place Bonaventure Exhibition Hall and the Hyatt Regency and Bonaventure Hotels.

After an overall decline of four per cent in the real value of shipments last year and low housing starts and high interest rates this year, the furniture industry was faced with the

prospect of extended plant shut-downs unless positive steps were taken to offset these negative forces.

A sustained and comprehensive effort to expand export markets, particularly to the United States, was considered the most feasible plan of action. Coupled with favourable exchange rates on the Canadian dollar and a good reputation for quality, the proximity of major U.S. markets to Canadian manufacturers make it a natural.

To determine the extent of the greater New York market, the closest

and largest market for both Ontario and Quebec manufacturers, IT&C commissioned Ross & Associates, Inc. of Asheville, North Carolina, a major U.S. consulting firm to the furniture industry, to undertake an evaluation of this market and to provide specific recommendations on how Canadian manufacturers could mount a more effective and permanent sales effort.

A major conclusion of the report was that the New York City area offers an excellent export opportunity to the Canadian manufacturer who wishes to enter or increase his share of this market. However, greater penetration will require the formulation and implementation of an effective marketing plan. To assist the Canadian firms in their efforts, the report outlined a number of recommendations; assessed the position of Canadian manufacturers; compared the greater New York City market with that of the U.S. in general; examined future trends; export problems; and the major competition.



Kerl Sehrbrock, President of Lotus Furniture Systems Inc., shows the ease with which their line of modular, contemporary furniture can be assembled. With all sections interchangeable, the line displays the versatility now demanded by a large and growing segment of the market.

Among the recommendations included in the report were a number which cover not only the furniture market but have wider implications for all Canadian manufacturers wishing to capitalize on American and, in fact, all, export markets.

For example, the report emphasized good sales representation on a continuing basis as a key factor in market penetration. Whether this representation should be by company sales force or through multi-line sales representation depends, in large



measure, on the amount of export the manufacturer aims at. The report points out that this is an area that requires increased attention. Major complaints from the U.S. retail market included the observation that Canadian furniture was carried as a sideline by many reps. . . that there was a lot of turnover. . . the sales force was not professional. . . that Canadian manufacturers looked on the American market as a dumping ground for surplus products.

The report also emphasized that furniture manufacturers should follow up their rep's initial contact or contacts made at furniture shows with phone calls, letters or visits by senior management — often the added inducements to finalize a major sale.

For example, the report emphasized good sales representation on a continuing basis as a key factor in market penetration.

While the High Point Market was cited as the major showplace of the American furniture market with exhibitions twice a year — in the spring and again in the fall — showings in any location are valuable, provided there is good followup. Although High Point, North Carolina, is the hub of this important showplace, furniture is displayed throughout the region as far as 160 km (100 miles)



to the west in the Hickory, Morganton, Lenoir area. Since most major retail buyers attend this market, it gives them an excellent opportunity to compare Canadian offerings with those of American and indeed other foreign suppliers. Excellent sales points favouring Canadian furniture on the New York market are styling, construction and finish, all of which are equal to or better than the competition; the proximity of the market — Montreal and Toronto and Quebec City are all closer by highway than the huge furniture manufacturing area surrounding High Point, North Carolina — and the smaller size of Canadian firms should enable them to give personalized service, including joint development of style, that is not available from larger manufacturers.



Michel Drouin, (right), President of the Quebec Furniture Manufacturers Association and Les Meubles Drouin Ltée., points out the workmanship of his company's line to (centre) Roger Rougier, President, of Roger Rougier Inc., a former president of QFMA, and Tony Morado, Assistant General Director of Rougier. Quality construction is a hallmark of Canadian furniture manufacturers.

The complete report is available from:
Textiles and Consumer Products
Branch (54)
Industry, Trade and Commerce
 235 Queen Street
 Ottawa, Ontario
 K1A 0H5

Direction '82 Furniture's Design Is On Export

To assist manufacturers prepare for the influx of American buyers, the U.S. Bureau, IT&C organized a one-day seminar in Ottawa and Toronto in conjunction with the Montreal Furniture Market.

Held a few weeks prior to the Montreal show, the seminars brought the furniture manufacturing executives up to date on documentation and tariff requirements for the U.S. market; financing possibilities in export trade; government assistance available from both the federal and provincial level; as well as the results of the Ross study on the residential furniture market in the greater New York City area.

To assist Canadian furniture manufacturers capture a larger portion of the American market, IT&C, through its consulates in the U.S., brought in 45 buyers from many of the largest retail chains in the U.S. such as the senior vice-presidents of Bloomindales, Gimbels and W.&J. Sloane Inc. of New York and from as far away as San Francisco for the three-day Montreal Furniture Market "Direction '82".

Travelling through the province of Quebec, Canada Commerce contributing editor André Fortier has come across companies that have been remarkably successful in both domestic and export markets. Here a suitcase, travel bag and briefcase manufacturer proves to be.

A Business that Travels Well

When thousands of Canadians go abroad each year on vacation or business, they temporarily "export" suitcases, travel bags and briefcases that the solid, dynamic Lévis firm, Dionite Inc., has been manufacturing for more than 30 years.

It is interesting to note that the reverse is true as well: each year, a great number of foreigners arriving in Canada "import" the products of this Quebec business.

Although other Canadian firms in the same sector are content to import foreign products, Dionite exports a portion of its production to various countries every year, in particular to France, Belgium, Switzerland, Portugal, Austria, Italy, Britain, Germany, the Netherlands, Bermuda and Hong Kong.

Founded in 1948 and incorporated in 1953, Dionite Inc. is now one of the three principal Canadian manufacturers of suitcases, travel bags and briefcases. The company employs more than 200 persons in its two plants in Lévis and Lauzon across the St. Lawrence from Quebec City.

The Dionite management team, headed by Mr. André Dion, is careful to overlook

nothing in its constant effort to maintain the company's leading position in this manufacturing sector. The 102 suitcase, briefcase and travel bag models produced by the company provide ample proof of the success of the team's work.

As Mr. Dion points out, the company stresses innovation and is always concerned with staying ahead of fashion trends — production methods have had to be modified at least five times since Dionite's establishment just to accommodate these changes in fashion!

An active research department takes care of the company's industrial and production design aspects — and key production machinery has even been designed and manufactured in the Dionite plants.

Dionite's actual production capacity is about 1,000 items per day, and more than 300,000 yearly.

The Market

Dionite sells in all 10 Canadian provinces and has warehouses in Lévis, Montreal, Toronto and Vancouver. Some 70 per cent of its products are sold outside Quebec.

Strategically placed throughout the show, the 23 manufacturers exporting to the U.S. market proudly displayed "Welcome U.S. Visitors" signs colourfully decorated with stylized intertwining U.S. and Canadian flags.

This annual event, which attracts thousands of retailers from every province, as well as the American buyers, is considered one of Canada's major furniture shows, featuring a preview of more than 200 manufacturing lines for the coming year. While no retail sales are allowed at the show, the public is invited to examine at their leisure the large selection of products that will be available in local furniture stores over the coming months.

A contest for new products "Nova Meubles" was also inaugurated this year. The contest acknowledged the efforts of companies who introduced new products at the market.

In terms of exports, Dionite has made a strong showing in foreign markets since 1975. Mr. Dion stresses that prospects are excellent for exports to Britain, where the Lévis firm recently showed its products at the Birmingham fair. This showing was under the auspices of the federal Department of Industry, Trade and Commerce, Economic Development Program.

These are not Dionite's first efforts in foreign markets. Since 1975, the company has been showing its products at fairs in Paris, Brussels, Milan and Tokyo in particular.

Dionite's business volume has increased by between 10 per cent and 12 per cent per annum since 1975. The company continues to forge ahead, producing in its modern 60,000 square foot plant a strong line of goods that more than hold their own in Canadian and world markets.



André Dion (centre)

I.T.&C. Promotional Projects Program

The following is a current list of trade fairs and missions that will be sponsored during the period December 1981, January, February and March 1982. The list is published to alert Canadian businessmen and women to opportunities for reviewing the current state of their industries as reflected in the exhibits. At some fairs, Canadian manufacturers are invited to participate. At others, a Canadian information booth is available for contacts with foreign buyers and as an information clearing house.

Canadian companies interested in participating in Department sponsored exhibits are encouraged to contact their nearest IT&C regional office so they may be added to the Department's list of exporters. While attendance at major fairs listed is encouraged, companies should bear in mind that participation is fixed 4-6 months before an event.

Trade Fairs

Europe (Phone (613) 995-7334)

Project No.	Event	Date	Project Manager
January 1982			
81/47011	Hotelympia '82 — International Hotel and Catering Exhibition Olympia, London, England	Jan. 20-27, 1982	M. Pearce
February 1982			
81/47111	CONSTRUCTA '82 - Building Exhibition Hanover, West Germany	Feb. 3-10, 1982	M.P. Pearce
81/47023	ISPO '82 (Spring) — 16th International Sports Equipment Exhibition Munich, West Germany	Feb. 25-28, 1982	H. Schroeter
81/47010	DOMOTECHNICA '81 - International Fair for Household Appliances, Fittings and Components Cologne, West Germany	Feb. 10-13, 1982	L.V. Ford
81/47032	International Spring Fair '82 Birmingham, England	February 1982	J. Harman
March 1982			
81/47095	International Agricultural Show - SIA Paris, France (Institutional Exhibit)	March 1982	L. Sarda
81/47101	Fisheries Products Seminar and Solo Exposition Paris, France	March 1982	L.V. Ford
81/47123	Leipzig International Spring Fair Leipzig, East Germany (Information Booth)	March 1982	H. Schroeter
81/47094	SIMA '82 - 53rd International Exhibition of Farm Machinery Paris, France	March 1982	L. Sarda

U.S.A. (613) 995-8303

Project No.	Event	Date	Project Manager
February 1982			
81/47067	Solo Business Furniture Show Seattle, Washington, U.S.A.	February 1982	T.E. Matthews
March 1982			
81/47036	Snow Show Las Vegas, Nevada, U.S.A.	March 1982	J.P. Lambermont
81/47041	American International Fur Fair New York, New York, U.S.A.	March 1982	A. Kuhlmann
81/47102	American International Fur Fair New York, New York, U.S.A. (Contribution for raw furs presentation)	March 1982	A. Kuhlmann
81/47072	PAS/ASIA - Pacific Automotive Auto Service Industry Associations Show Las Vegas, Nevada, U.S.A.	March 1982	T.E. Matthews
81/47068	Solo Business Furniture Show Boston, Mass, U.S.A.	March 1982	T.E. Matthews

Pacific Asian, Africa & Middle East (613) 995-8303

Project No.	Event	Date	Project Manager
December 1981			
81/47100	Fisheries Products Exhibition at CTC Tokyo, Japan	December 1981	K.J. Tyrrell
January 1982			
81/47151	Sporting Goods Show at CTC, Tokyo, Japan	Jan. 19-21, 1982	K.J. Tyrrell
March 1982			
81/47027	International Toy and Sporting Goods Trade Fair Sydney, Australia	March 17-20, 1982	K.J. Tyrrell

1981/82 Promotional Projects Trade Missions

Europe (613) 995-7334

Project No.	Event	Date	Project Manager
February 1982			
81/48038	Timber Frame Housing - Mortgage and Insurance Mission from Belgium	Feb. 14-21, 1982	L. Sarda

Pacific, Asian, Africa & Middle East (613) 995-8303

Project No.	Event	Date	Project Manager
January 1982			
81/48093	Canola (Rapeseed) Oil Mission and Seminars in India, Pakistan and Bangladesh	January 1982	G. Debbané
February 1982			
81/48006	Specialty Cheese Mission from Japan	February 1982	K.J. Tyrrell
81/48048	Swine and Semen Mission and Seminars in South East Asia (Taiwan, Thailand, Malaysia, Singapore, Phillippines)	February 1982	G. Debbané
81/48069	Airport Vehicles Mission to Malaysia, Indonesia, Phillippines, Thailand and South Korea	February 1982	G. Debbané
March 1982			
81-48049	Fisheries Products Mission to Japan	March 1982	K.J. Tyrrell
81/48066	Marine Port Development and Materials Handling Machinery Mission to Hong Kong, Singapore and Malaysia	March 1982	K.J. Tyrrell

U.S.A. (613) 995-8303

Project No.	Event	Date	Project Manager
January 1982			
81/48009	U.S. Buyers Mission to the Toronto Int'l Boat Show	January 1982	J.P. Lambermont
February 1982			
81/48025	Apparels Buyers Mission to the Canadian Outerwear Fashion Fair, Winnipeg	February 1982	
March 1982			
81/48026	Merchandising Aids Buyers Mission from the U.S. to the ACDI Show in Toronto	March 1982	J.P. Lambermont

Latin America & Caribbean (613) 995-8303

Project No.	Event	Date	Project Manager
February 1982			
81/48051	Milk Powder and Dairy Products Mission to the Caribbean and South America	February 1982	P. Schutte
81/48092	Canola (Rapeseed) Oil and Meal Mission and seminars in Chile and Venezuela	February 1982	P. Schutte
81/48063	Railway Equipment Mission to Colombia and Ecuador	Feb. 16-26, 1982	P. Schutte
March 1982			
81/48076	Nuclear Power Mission from Mexico	March 7-17, 1982	P. Schutte

Design Canada Awards \$140,000 in Scholarships

Twelve Canadian design students have won the 1981/82 Design Canada Scholarships, and will each receive up to \$13,000 for the next year to further their studies in a variety of design subjects. Four of this year's winners are in industrial design, six in graphic design, one in textile design and one in ceramic design.

Since 1962, Design Canada has awarded more than \$1,415,000 in scholarships to 319 students enabling them to pursue their studies at internationally-known schools in Canada and abroad.

Funded by the Department of Industry, Trade and Commerce, the program is sponsored by the National Design Council to encourage the advanced study of design as a means to improve the competitiveness of Canadian products in world markets.

"The scholarships program helps to up-grade the skills of Canadian designers, which will ensure that Canadian goods meet the increasingly high design standards demanded by consumers and users both in Canada and abroad", said Charles Lapointe, Minister of State for Small Business and Tourism.

A jury consisting of three representatives from the design professions, a representative from the National Design Council and one from the Department of Industry, Trade and Commerce selected the winners.

Applicants for the scholarships must be Canadian citizens or landed immigrants and must intend to continue working in Canada upon completion of their studies. Scholarships are awarded for one academic year and are renewable to a maximum of three years. Winners may study in any recognized and acceptable school offering an eligible discipline.

Acceptable subjects for study include: industrial design, product design, furniture design, textile design, ceramic design, graphic design, business, engineering or education.

Students applying for a scholarship must present the judges with complete documentation that includes evidence of academic qualifications, three letters of recommendation, extensive portfolio and supporting material, full details of the planned program of study, funds required and a certificate of acceptance from the school of their choice.

This year there are three renewals and nine new scholarships. Nine winners are from Ontario; two from Québec; and one from Alberta.

FOR FURTHER INFORMATION, CONTACT:

Ian P. Gadbois
Design Canada (82)
Ministry of Industry, Trade and Commerce
235 Queen Street
Ottawa, Ontario
K1A 0H5
Tel: (613) 992-4494

Fair Notice

Two separate specialized international trade fairs are in the process of being organized for 1982 by the Nigerian Federal Ministry of Commerce.

The first fair will take place in Lagos between April 3 and April 12, 1982, and will focus on agriculture and food processing, building and construction, wood and paper and chemical processing.

The second fair will take place November 20 to November 29 in Lagos and will zero in on electrical and electronic industries, telecommunications, military technology, transportation and automobile components, energy and petrochemical industries.

Those interested should contact Peter McLachlan, Africa Division, Industry, Trade and Commerce, Ottawa, K1A 0H5 Tel: (613) 995-3351.



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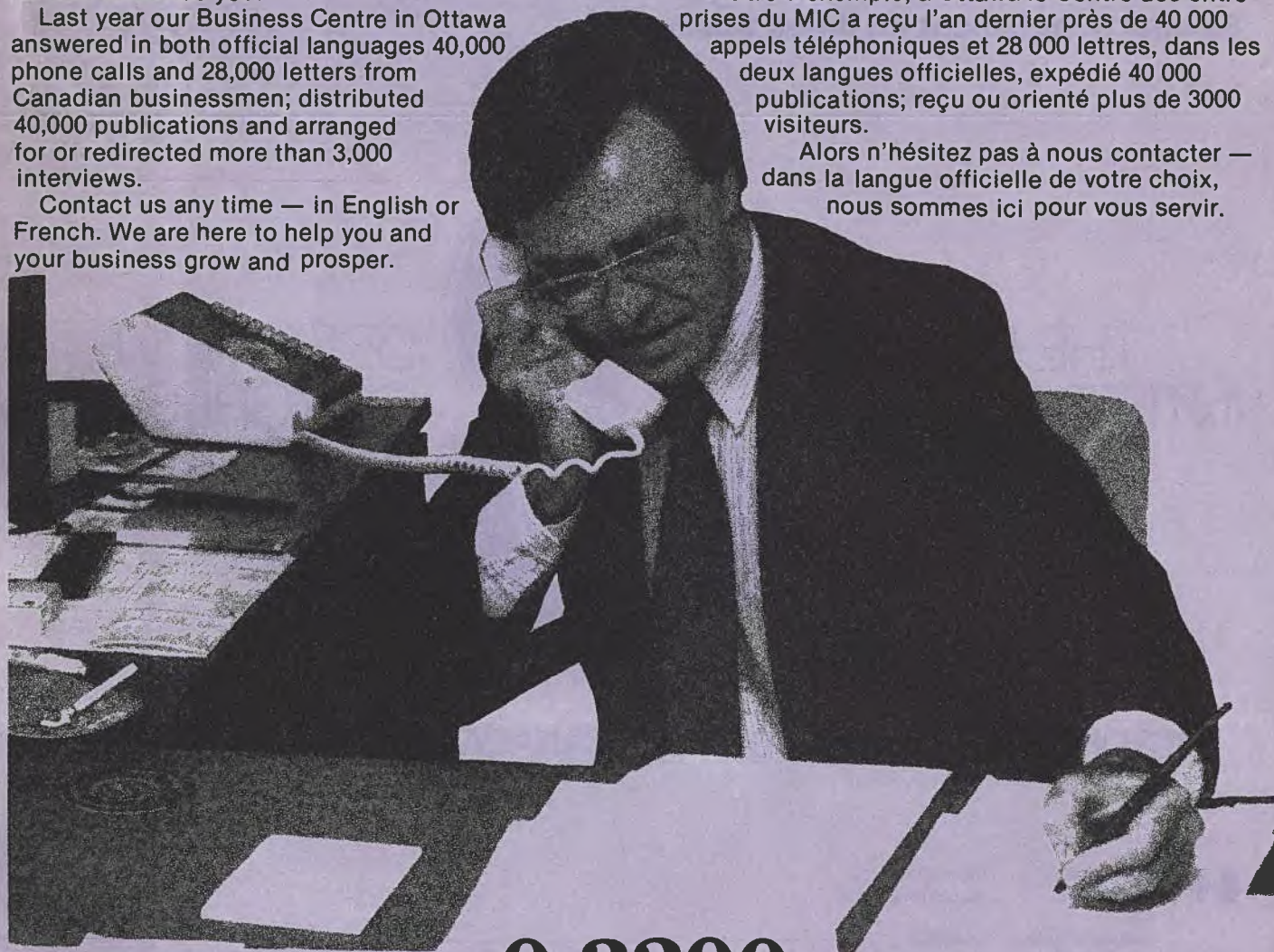
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