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Provincial Products on the Move

The Provinces in Support
of Export Promotion — Page 9

The Corporate Challenge:
Health Through Fun — Page 14

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Editorially speaking.

The old adage which assures us that all work and no play will make Jack (or Jill?) a pretty dull person was on our minds this month. Thus we present the Corporate Challenge (page 14). Here we see that many companies across Canada are succeeding in the serious business of improving the health and lifestyles of employees — while everyone has fun doing it.

"The Boss and You — Keep Him Happy" (page 22), passes on the advice of a human resources consulting firm. Was the author's tongue firmly planted in cheek while writing it? We'll leave it to our readers to decide.

However, humour and fun are not the main concerns of business and, with that in mind, we return to serious aspects of the world of commerce. One major article deals with provincial activities in the promotion of export trade (page 9), while another focusses on the Canadian Manufacturers' Association.

There is, of course, much more in this issue and we hope that you will also find it to your taste. Happy reading.

J.C.H.

The Honourable Edward C. Lumley



The Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion comes to that appointment with a wealth of business and trade experience in private industry and in government. In business, Ed Lumley represented his industry association in negotiations with federal and provincial governments. As Minister of State for Trade, during his two-year tenure at the then Department of Industry, Trade and Commerce alone, he led Canadian trade delegations to more than a score of countries from the Pacific Rim to Latin America, to Africa, to Eastern Europe to the Middle East and to South East Asia.

The Honourable William Rompkey



The Minister of State for Small Businesses and Tourism was previously Minister of National Revenue, an appointment made by Prime Minister Trudeau in March 1980. His career background has taken him from the academic world to the House of Commons and various appointments involving him in the areas of labour, manpower and immigration and fisheries.

William Rompkey was born at Belleoram, Fortune Bay, Newfoundland. He attended Bishop Field College in St. John's and Memorial University of Newfoundland, where he received his B.A. in 1957, his Diploma in Education in 1958 and his M.A. in 1962. Subsequently, he studied at the University of London, England where he received the Academic Diploma in Education. From

Born in Windsor, Ontario in October, 1939, and a Bachelor of Commerce graduate of Assumption University there, Mr. Lumley began his business career with an international soft drink company, primarily in sales management. He moved to Cornwall as president of a private soft drink company and quickly became involved in local affairs. In 1972, he was elected Mayor.

It was in 1974, after disposing of private business interests, that Mr. Lumley was elected Member for Stormont-Dundas. He served as Parliamentary Secretary to the Ministers of Regional Economic Expansion and Finance. He headed the Canadian Delegation to the UN Conference on Trade and Development in 1978 and was a member of the Canadian Delegation to the Commonwealth Finance Ministers' Conference, as well as the International Monetary Fund, World Bank and the Inter-American Bank Meetings.

Following his re-election in 1979 Mr. Lumley was official opposition transport critic. Again re-elected as Member of Stormont-Dundas in 1980 he became Minister of State for Trade in the then Department of Industry, Trade and Commerce. In the government reorganization of January, 1982, he was appointed to External Affairs as Minister for International Trade.

January, 1972, until seeking the Liberal nomination for the Riding of Grand Falls — White Bay — Labrador, he was a PH.D student in Adult Education at the University of Toronto.

From 1963/1966 William Rompkey was Principal of a dormitory school at North West River, Labrador. From 1968 to 1971, he was the first Superintendent of Education with the Labrador East Integrated School Board.

He was elected to the House of Commons in the General Elections of October, 1972, July, 1974, May, 1979 and February, 1980, representing the Riding of Grand Falls — White Bay — Labrador.

Prime Minister Trudeau appointed Mr. Rompkey Parliamentary Secretary to the Minister of Environment on January 1, 1973, a post he held until 1974 General Election. In September, 1974, the Prime Minister appointed him Parliamentary Secretary to the Minister of Manpower and Immigration for a one year term. Also, in that same year he was elected to serve as Chairman of the Atlantic Caucus for 1974-1975. For the period 1975-1976, Mr. Rompkey chaired the House of Commons Standing Committee on Labour, Manpower and Immigration. Mr. Rompkey was named Opposition Fisheries critic in July, 1979, and appointed Minister of National Revenue March 3, 1980, by Prime Minister Trudeau.

While Canadians — business and consumers alike — wait for a change in the winds of world economy, the manufacturing industry, one of the sectors hardest hit by the current economic downturn, cannot afford to simply bolt down the hatch, hang on tight and hope the industrial ship survives the lashings of recessionary storm.

That large sections of the industry are not sitting back but making concerted efforts to beat the storm is evident in the work of the Canadian Manufacturers Association (CMA) as outlined in this article specially prepared for Canada Commerce.

Canadian Manufacturers Association: Productivity Improvement

by Robert Merrick



CMA President Roy A. Phillips

Helping manufacturers in their effort to steer courses to improve their productivity and overall competitiveness is the manufacturing industry's flagship, the Canadian Manufacturers' Association (CMA). Virtually all of CMA's activities and resources this year and beyond will be aimed at helping manufacturers achieve this vital objective.

"We are revitalizing our efforts to help manufacturers improve their productivity and competitiveness. This means improving their products in quality and design, and lowering costs so that they can capture a better share of the export market as well as make greater gains against imports on the home front," says CMA President Roy Phillips.

Part of the impetus to improve productivity performance comes from the multilateral tariff reductions currently taking place under the ongoing General Agreement on Tariffs and Trade (GATT). While creating tremendous opportunity for initiative by increasing access to the United States and other foreign markets, these tariff reductions will make the markets more competitive.

Many Canadian firms who initially developed domestically competitive products behind protective tariff walls must now become internationally competitive if they are to survive and prosper in the 1980s.

Consequently, the need for productivity improvement has weighed on the minds of manufacturers for the last couple of years. However, it received renewed emphasis recently in an international survey conducted by a Swiss-based management group.

While European Management Forum ranked Canada fifth out of 21 countries in international competitiveness, the country scored poorly in many areas including: dynamism; low productivity growth; high labour costs; high employee turnover; on-time delivery; design and after-sales service; motivation of labour force and managerial drive;

energy efficiency; orientation to science and research and development in the private sector.

Concerned by these findings, the CMA Board of Directors activated the Policy Development Committee to examine the fundamental reasons for Canada's poor productivity performance and inadequate overall competitive position. The committee was scheduled to release a major reference paper September 29 detailing strategies for performance improvement as well as outlining government policies needed to achieve it.

The reference paper will provide the basis of a comprehensive program called ASAP (Action for Survival and Productivity) being launched by the national association.

Key to ASAP is a full seminar program which will concentrate on two main themes — "survival management" and "productivity improvement" — with emphasis on the latter, says Mr. Phillips. "Whatever is done today for survival should also improve a firm's long-term competitiveness."

The "survival management" seminars will deal with the immediate and urgent problems now besetting manufacturers trying to avoid layoffs or worse. The second theme will emphasize the need for long-term productivity improvement if Canadian manufacturers are to compete in the international trading market.

In tracing these two themes, says CMA Executive Vice-President Larry Thibault, who heads the policy group that wrote the reference paper, the seminars will cover five broad subjects:

- getting the most out of production facilities;
- getting the best out of employees;
- integrating the concept of new technology into the strategic thinking of management;
- developing marketing and exporting potential;
- improving financial management.

In the tradition of CMA seminars, the association has lined up as speakers a host of experts and specialists on the above subjects to advise CMA members on the newest ideas for improving manufacturing performance. However, just as important is the opportunity delegates at the seminars will have to exchange views on productivity with other manufacturers. Furthermore, says Mr. Phillips, "CMA will act as a clearing house for manufacturers to bring information on initiatives that have proved useful for them in improving performance so that we can pass them on for the benefit of other companies."

Along with the seminars, CMA's wide range of publications will focus on promoting the themes of the ASAP program. The association's technical bulletins, published from the national office in Toronto, will concentrate on practical "how to" subjects all designed to reduce costs or expand market opportunities.

The CMA divisions (of which there are seven covering Canada from coast to coast) have been encouraged to emphasize productivity improvement in their seminars and workshops as well.

In keeping with the theme of the ASAP program, CMA this spring introduced several new services designed to help members in reducing costs and expenses.

For member companies with 20 to 200 employees, the association is offering a new employee benefits program which has been tailored by the management firm William M. Mercer Ltd. and Sun Life Assurance Company of Canada to produce significant savings. According to CMA's Director of Member Services, Bert Larsen, one firm taking advantage of the program improved its benefits and still saved \$10,000 per annum. He says, "The savings members can make can be more than five times what they're paying in membership fees."

At members' request CMA instituted a national wage, salary and working conditions survey to help those manufacturers who need bet-



ter information to keep their pay and benefits competitive.

Says Mr. Larsen, "The information from the survey will help members attract and retain competent personnel. Without this kind of information, you only learn that you're underpaying or that your benefits aren't competitive after you've lost a lot of good people. Then you have to start all over again training new people — a costly undertaking."

On the divisional front, two notable contributions to productivity improvement were made in the past year. One was the establishment in Halifax of the Manufacturing Improvement Centre to help Nova Scotian manufacturers identify and solve their productivity problems.

The other contribution was a joint effort by CMA British Columbia Division and the B.C. and federal governments to institute an apprenticeship program designed to produce skilled workers in critically-needed trades.

Many things portend the success of the ASAP program, including the fact the program is the product of an association that has had more than a century of experience in helping manufacturers become more competitive and successful in domestic and foreign markets.

Founded in 1871 when a fledgling manufacturing industry of textile-making, food processing and iron smelting was but a small fish in a pond known primarily for its catch of raw material, the CMA has watched its membership grow steadily along side the industry.

From a modest 132 card-carrying members at the turn of the century, it has grown to 8,000 members representing more than 4,200 companies from every province and every type of manufacturing. Member companies range from giant international corporations to small family-owned operations, the majority employing less than 100.





Its membership accounts for three-quarters of all manufacturing employment and production in Canada, making the CMA indisputably the spokesman for the industry.

Throughout its 111-year history, the CMA's main objective has remained the same: to encourage the pace and scope of this country's industrialization. It strives to achieve this objective in two clearly perceptible ways.

The first is by protecting manufacturers' interests in the legislative arena. As spokesman for manufacturers, CMA is continually appearing before all levels of government with submissions on legislation and policies which affect members and their operations. To do this the CMA maintains staff specialists at both the national and divisional offices to monitor closely government activities.

The second way in which the association advances industry's cause is by providing members with individual consultation along with a wide array of information services aimed at giving members "the information they need to resolve their problems," says the president.

To ensure blanket coverage of Canada in the services of the manufacturing industry, CMA is structured regionally and locally as well as nationally. Canada, for CMA's purposes, is divided geographically into seven divisions with 33 local branches. Under the supervision of a full-time manager, assisted by

trained staff, each division is autonomous and capable of initiating action within its own jurisdiction.

According to Mr. Phillips, "A greater share of CMA resources have been devoted to activities in CMA's divisions in recent years, in response to the increasing influence of provincial governments on the affairs of manufacturers."

The association's Ottawa office has an important role to play in the service of the manufacturing community. By fostering good working relations with the government, the Ottawa staff is effective in helping visiting members to see government officials, in following up on members' government contacts and in supplying information on government contracts and incentive programs. Much of CMA's representational work is channelled through the Ottawa office.

Government values the views of CMA because its positions are based on expert knowledge. More than 1,000 senior executives and industrial experts from the manufacturing community serve voluntarily on a network of national, provincial and local CMA committees which study and recommend on such areas as industrial relations, taxation, customs, export, legislation and R&D.

As the economy slips deeper into recession, a greater number of CMA members are asking for help from the association's consultation and information services. Providing the consultative, personalized service at the national office in Toronto are many specialist departments which cover the fields of trade and tariffs, commercial intelligence, insurance, legislation, economic research and transportation.

In an effort to speed up answers to members' questions, a little over a year ago at head office CMA instituted the Servicentre. Manned by a team of staff specialists, the Servicentre answers and monitors the calls from members now coming in at a rate of 400 per month. If the centre receives a number of calls concerning a particular matter it may respond by publishing a bulletin or setting up a seminar on the topic. For example, hard times caused a spate of calls from employers wanting to know their responsibilities in terminating employment. That prompted a seminar and subsequent booklet on the subject.

Bert Larsen, head of the Servicentre, says, "We have our finger on the pulse of the manufacturing com-





CMA seminars attract capacity crowds because manufacturers know the information presented is useful.



community. We know what the problems of the manufacturers are and we try to respond to them."

The Servicentre is also in charge of conducting the association's surveys, managing head office's seminars and authoring some publications.

Seminars and workshops are integral parts of CMA's activities. Last year's numerous seminars covered a wide variety of topics such as Getting Your Goods to Market Efficiently; Growth and Survival in Bad Times; and Where to Secure Export Financing.

CMA's Export Forum runs a regular monthly series of seminars which uses experts and experienced exporters to teach members how to improve their export performance and, for those wishing to export for the first time, how to get started.

The seminar program covers such topics as export documentation, assessing foreign markets, analysing and reducing potential risks, available government assistance, and export financing possibilities and is generally highlighted with a sales mission abroad. The destination of this year's sales mission is Mexico where members will have the opportunity to sit down with Mexican businessmen interested in doing business.

As part of CMA's on-going commitment to keep members informed, the association publishes an array of publications including regular bulletins on customs and tariffs, export rules and regulations, general economic conditions and a semi-monthly newsletter reporting on CMA events. Added to this are dozens of well-researched booklets on current topics — such as termination of employment and energy management — intended to help decision-makers in making company policies.

The continuing publication for which CMA is most noted, however, is the Canadian Trade Index (CTI), a directory of Canadian manufacturing companies and products. Dis-

tributed in Canada and 80 countries since 1900, CTI has become an indispensable working tool for anyone who buys from or sells to Canadian manufacturers.

Much of the association's current stature and respect stems from its earlier contributions to Canada's legislative and economic history.

The forerunner of Canada's famous Trade Commissioner Service was a CMA idea. The association's contribution to the establishment of the Board of Railway Commissioners is a matter of record. The National Research Council and the Ontario Research Foundation owe their existence, in part, to the urgings of the CMA.

And before this decade is through, CMA hopes to add to these achievements the recognition that it was instrumental in leading the manufacturing industry out of the paralyzing recession that struck the early 1980s.

Robert Merrick is a free-lance Ottawa journalist.

Federal-Provincial assistance aids western foundry

Saskatchewan Casting Capacity Revived



A \$1,230,000 loan from Saskatchewan Economic Development Corporation and a \$1,238,750 incentive grant from the then Department of Regional Economic Expansion have helped to put a Saskatoon foundry back in operation.

Furnaces that have been idle for more than two years are active once again, under the flag of A-1 Steel and Iron Foundry — a division of Ardiem Industrial Corporation of Vancouver.

Ardiem, with the assistance of a \$1,230,000 loan from Saskatchewan Economic Development Corporation (SEDCO) and a \$1,238,750 incentive grant from the then federal Department of Regional Economic Expansion, has put the former Athabaska Foundry in Saskatoon back in operation.

"Few people think about it but almost everything they own, from dishwashers to automobiles has a metal casting of some description," says George Clarke, vice-president of Ardiem Industrial Corporation.

The company brings with it an established market base for its castings, and according to Clarke, it's the reputation for quality that has opened the doors to these markets. The company history can be traced back to 1928 when A-1 Steel and Iron began, initially as a pattern shop. It was later acquired by Ardiem which is now ranked fourth in the field in Canada.

"We are known for quality," Clarke states confidently. "I think that's the only way to stay alive in this business. In Vancouver, for instance, we're approved by Lloyd's (of London) for marine castings.

"When we first got into A-1 Steel, quality control was really an 'eye-balling' of castings by the old-timers we had around. Today we use a computerized spectrometer; we conduct a good deal of non-destructive testing. Customer specifications demand increasingly higher standards of quality."

The company also has a complete computer control on the manufacturing process in Vancouver, explains the vice-president. That system will be extended to Saskatoon once the volume warrants it.

Ardiem's customers can be found all over the world, from Saudi Arabia to Holland, the United States to Denmark. A-1 castings are helping drillers find oil in the North Sea, truckers haul loads over the highways of North America, and lending rooftop support to several sports stadiums. In addition, the company markets its own product line under the name IANCO, for industries such as manufacturing, forestry, mining and pulp and paper.

"It's important to the Saskatoon plant that these stable markets are in place. A lot of people start up a foundry and then go looking for a market, without realizing how slow that start-up period can be."

While Ardiem intends to develop new markets tailored to its Saskatoon operations — farm implement manufacturing holds considerable potential — the foundry will be busy from the outset meeting existing demands. In the long term, the combination of new and existing demands is expected to provide a solid base for production.

The move into the Saskatoon location has not been without its setbacks, one of the most challenging being the scarcity of skilled labour.

"This is the first steel foundry in the province, making it difficult to recruit workers with foundry experience," says Clarke. "Most of these men haven't even seen metal being poured, let alone worked in the business." However, he is quick to add that all employees have been eager to learn.

Although the foundry does not possess the wealth of experience found in the Vancouver operation, company officials are confident it will come

The Saskatoon plant, in the process of cleanup and upgrading, currently employs about two dozen workers. But the work force will increase to about 125 once the plant is in full operation and a steady flow of orders is coming in.

with time. Foundrymen like Charlie Watters, Ardiem's manager of pulp and paper sales who has been with the foundry since 1928, are not easy to come by.

"That kind of experience is invaluable. We have a good, strong foundry group and we work well as a team. When problems arise in Saskatoon we don't hesitate to send out the one who can best solve that problem."

The Saskatoon plant, in the process of cleanup and upgrading, currently employs about two dozen workers. But the work force will increase to about 125 once the plant is in full operation and a steady flow of orders is coming in.

Under optimum conditions the foundry furnaces will be pouring various kinds of metal seven days a week with two shifts per day. "With a foundry, once you get it tuned up and running well, you like to keep it running. It's when you stop that the little problems crop up."

Regional Development Incentives Program

Under the announced merger of the Department of Industry, Trade and Commerce (IT&C) and the Department of Regional Economic Expansion (DREE), the original mandate of DREE continues through the incentive programs such as the one described in the accompanying article. Part of that mandate was to encourage slow-growth regions of Canada to realize their potential. Incentives are provided to industry and business to invest in these slow-growth areas and thus create improved opportunities for productive employment.

The areas and industries eligible for incentives are the following:

- **Designated Regions** — These include all four Atlantic provinces, Manitoba, Saskatchewan and the Yukon and Northwest Territories, together with most of the province of Quebec and the northern portions of Ontario, Alberta and British Columbia. In the designated regions, most manufacturing and processing industries are eligible for development incentives and loan guarantees.
- **Special Areas** — These include the Montreal and Magdalen Islands special areas.
 - The Montreal Special Area 1 consists essentially of metropolitan Montreal. In this area, incentives are available for selected industries, specifically certain processed foods, plastic products, primary metal, metal fabricating, machinery, transportation equipment, electrical products, chemicals, as well as scientific and professional equipment and industrial research and development.
 - The Montreal Special Area 2 consists of the region beyond metropolitan Montreal, stretch-

For Ardiem, the Saskatoon plant holds two major advantages: one relating to equipment, the other to geography. With induction furnaces — as opposed to the large electric arc furnace used in Vancouver — the foundry has greater flexibility to produce various types of metal and smaller runs.

The other advantage is the result of the plant's proximity to eastern markets. With a lucrative market developing in Ontario, the company can realize a substantial reduction in shipping costs by producing those lines in Saskatoon.

Ardiem is a growth-oriented group, Clarke says of the present owners who came together about ten years ago. That group includes Clarke as vice-president and secretary, Denis Berglund as president and David Carey, chairman of the board.

"As soon as we've got one problem solved, we're into the next one. I'm sure that once we get things running smoothly here, we'll be looking for something else to get involved in."

ing 100 kilometres east and as far west as the city of Hull and its surroundings. This area's eligible sectors include most manufacturing and processing industries and industrial research and development.

— The Magdalen Islands are a special area in which most manufacturing and processing industries, as well as some primary and tertiary activities, are eligible for incentives.

During its first 13 years of operation to March 31, 1982, DREE approved and had accepted 7,787 applications for incentive grants and loan guarantees. The Regional Development Incentives Program has helped to stimulate projects involving an estimated \$6.4 billion and an estimated 182,000 new jobs.

There are two basic types of incentives available: development incentives and loan guarantees. Development incentives include the following:

- non-repayable development incentives;
- specifically repayable development incentives; and
- provisionally repayable development incentives (repayable if the project achieves a certain level of profitability or other objectives specified in the offer and accepted by the applicant).

Loan guarantees are available for manufacturing and processing and for certain commercial undertakings.

These incentives are available individually or in combination.

Further information on this program may be obtained from your nearest DREE or IT&C office.

Canadians Win Multi-Million Dollar Hong Kong Contracts



On June 17, 1982, the first Canadian long-term thermal coal contract was concluded in Hong Kong between B.C. Coal Ltd., Vancouver, and Kesco/China Light and Power Co. Ltd., Kowloon, Hong Kong. Left to right: R. C. Stanlake, Executive Vice-President, B.C. Coal Ltd.; W. F. Stones, Deputy General Manager, China Light and Power Co. Ltd.; W. J. Riva, Chairman and Chief Executive Officer, B.C. Coal; I. Strachan, Chairman, Kesco, Hong Kong.

Hong Kong is not simply a most attractive spot for tourists, it is also a highly respected place of business as Canadians are finding out. Between May 15 and July 15, contracts with a total value of \$(Can.)42,800,000 were signed between Hong Kong public and private customers and Canadian exporters.

Vessel Traffic Management System

After several years of effort, the Canadian Commercial Corporation signed a contract to design a Vessel Traffic Management System for Hong Kong's busy harbour. Work will be carried out by the Canadian Coast Guard and Leigh Instruments.

The current phase of the contract is worth more than \$(Can.)2 million in consulting services, with the possibility of a further \$(Can.)10 million in equipment purchases in the subsequent phase should the Hong Kong government decide to implement the system.



Peter Tsao, Hong Kong Commissioner of Industry, and Ron Thom of the Canadian firm of Thom and Partners, are shown on July 15, 1982, signing a contract to initially design the Hong Kong Exhibition Centre.

Coal Contract Signed

Faced with total independence on thermal power plants for electricity, the Hong Kong public utility companies, China Light and Power and Hong Kong Electric Company, decided several years ago to switch from petroleum as a fuel source to coal.

On June 17, B.C. Resource Industries signed Canada's first contract to supply coal to Hong Kong with initial tonnages of 500,000 per year.

Hong Kong Exhibition Centre

On July 15, the architectural firm of Arcop and Associates, Thom and Partners, and Concordia Construction, as part of a consortium with a German company, signed a contract to prepare final feasibility and schematic design for a Hong Kong Exhibition Centre with an eventual value of some \$(U.S.)350 million.

This contract came about after years of study by the Hong Kong government on the possible location of an exhibition centre for the territory. At present Singapore is the regional trade fair centre but, with completion of this facility in 1986, Hong Kong will become a strong competitor for the title.

The three projects outlined demonstrate clearly Canada's ability to compete in the strongly free-enterprise market that is Hong Kong. They will form a showcase for Canadian expertise.

Canada Can Compete

These three contracts demonstrate Canada's ability to compete in this strongly free-enterprise marketplace. The Vehicle Traffic Management System and exhibition centre projects will be excellent showcase pieces for their suppliers.

In a market heavily dominated by suppliers from the region, notably the People's Republic of China and Japan, Canadian exporters have been increasingly successful with a projected total this year of \$(Can.)280 million, an increase of 50 per cent over the previous year.

There are no secrets to this success. Good products, competitively priced and aggressively marketed, will always be successful in this market.

Specially prepared for Canada Commerce, this article outlines the evolution of provincial involvement in export trade; provides an overview of the many related activities; and highlights recent trends and developments in the range of services offered by Canadian provinces.

The Provinces in Support of Export Promotion

by Pierre G. Blanchard and Sylvie Caron
Office of Regional Affairs - IT&C/REE



Exports are an integral part of the business world. Although the export trade has always been surrounded by an aura of prestige because of its association with foreign people and places, it is still a potential profit-making activity that requires reflection, preparation and planning.

In an effort to make the export trade more attractive and less risky, many countries provide government assistance to exporters. Canada is one such country, offering many programs and services designed to help companies explore and develop prospective markets and to become more competitive internationally.

In addition, even though the federal government has long been the main player in foreign trade, the provinces are becoming increasingly active.

Historic Responsibility

Excluding the existence of a Nova Scotia office in London in 1761 and a Quebec office in Paris in 1882, the active promotion of exports remained the exclusive responsibility of the federal government until the end of the 1950s. Provincial activity and representation abroad have come a long way since that time. Previously limited links

between certain provinces and the old colonial powers have evolved into multilateral relations on an international scale.

In the early 1960s, economic development became a growing concern and many provinces began to view the export trade as a means of economic growth. The leading roles played by the Export Development Corporation (EDC) in the direct financing of exports and by the Canadian International Development Agency (CIDA) through its on-going Third World development programs, enabled a host of Canadian consulting firms and suppliers to penetrate non-traditional foreign markets. Also at this time, the strong growth requirements of newly independent countries and the rapid industrialization of countries such as Brazil, Korea and Mexico offered unexpected trade opportunities to Canadian firms with expertise in resource and major infrastructure development.

This increasing involvement abroad also led many companies to seek support from their governments. Federal efforts dealt mainly with export financing, active representation overseas, risk-sharing in the exploration and expansion of new markets, and with developing programs and approaches to help companies become better informed and better equipped to deal with international competition.

Given the number and type of exporters and the availability of resources, an impressive number of programs and services have gradually been added at the provincial level, most of them complementing or supporting federal action.

Provincial Activities

Provincial action over the past 10 years has evolved mainly in the area of export promotion.

Today the provinces offer a wide variety of services, ranging in some cases from general information to export financing. The table accompanying this article shows in general terms the major areas of provincial activity. As indicated, the range of promotional efforts within these areas of activity can be very broad and the nature and scope of support can, for all sorts of reasons, also vary considerably from province to province.

First, it is clear that the degree of sophistication of the provinces is closely related to the availability of financial and human resources and to the regional concentration of exporting companies. The larger provinces and those that depend the most upon exports have, over time, been able to develop more numerous and specialized business assistance mechanisms.

The philosophy of the provinces with respect to the key economic role played by exports, their own roles and those of small and medium-sized businesses in the marketing field are major elements. Other factors include their geographical

location, their dependence upon Canadian or American markets, and a limited number of products or goods for export purposes.

Involvement Varies

Even though provincial involvement varies from one province to another, government assistance in the export field has grown in the past few years. Not only is the number of programs increasing, but they are becoming more specialized, offering a more complete service to exporters. As the table shows, all the provinces are now equipped to provide information, counselling and promotional services. The "Definitions" section below the table gives a general idea of the assistance available in each category of activities.

On the information front, the provinces seek to provide data and guidance to exporters and often assume the important role of intermediary in facilitating access to provincial and federal programs and services.

This information may be presented in different forms depending on the data and resources available. For example, there are brochures defining the programs offered, guides such as British Columbia's "Establishing an Export Market" designed for new exporters, and directories promoting local capabilities, such as Prince Edward Island's "P.E.I.-Trade Directory", listing the island's companies and their products. Similar guides and directories are also to be found in Ontario, Quebec and in other provinces. Ontario has just launched a new program called GO-VIDEO, designed as a bank of audio-visual presentations on Ontario manufacturing companies. In addition, some provinces have established company information centres where all services relating to trade are available in the same location.

These information services are usually supplemented by counselling services designed to help companies market their products and services more effectively. Through these services, the provinces can make the expertise of their public servants available to companies. Such is the case with British Columbia's Established Business Service and with other provinces (for example, Ontario and Quebec) which offer a variety of specialized services. Nova Scotia, for instance, has a Consulting Assistance Program which shares the cost of hiring private consultants.

Similar Programs

All provinces are also involved in promotional activities through programs similar to the federal government's Program for Export Market Development (PEMD). These include Alberta's Market Development Assistance Program, Quebec's APEX program and Saskatchewan's Aid to Trade Program. Several provinces have established sector



promotion programs designed to market specific products. This is particularly the case of agricultural products, an example being the Quality Seed Potato Marketing Program of New Brunswick. All these programs, whether general or specific in nature, usually cover the costs of transportation, accommodation and exhibition on a cost-shared basis.

Provincial representation abroad has increased in size and strength over the years. Whereas in 1960 there were only six provincial offices outside Canada, today there are close to 40, not counting those currently in the planning stage and tourism offices abroad. More recently, the establishment of additional offices has been accompanied by increased responsibility.

In most cases, the economic orientation takes priority, emphasis being placed on the promotion of trade and foreign investment in Canada. Consequently, the role of provincial delegates abroad goes far beyond traditional lobbying activities, resembling more closely the role of trade commissioners in Canadian embassies abroad. As a result, such officials are really becoming liaison officers who act as economic advisors, intermediaries and market prospectors. A key activity is also the promotion of industrial development. On the other hand, their role also tends to be more specialized in terms of particular sector or regional interests.

Examples of sector specialization are to be found in Ontario and Quebec, where some delegations include agricultural specialists, and in Alberta in the energy field.

Support Mechanisms

Only a few provinces have been able to develop areas of more intense specialization or more elaborate support mechanisms. A trend in this direction may be seen in the creation of specialized Crown corporations in several provinces, examples being the Quebec Industrial Development Corporation (QIDC), the Ontario Development Corporation (ODC), the Ontario International Corporation (OIC) and Manitoba's Manitrade.

Because the special status of these corporations gives them greater operational flexibility, some of these provinces, particularly Quebec, are trying to give them a dual role for export purposes. The primary role of these corporations is still, however, to act as authorized agent in instances where foreign buyers want to deal with the intermediary of a government corporation. This role is similar to that played by the Canadian Commercial Corporation (CCC) which facilitates any opportunity for foreign trade requiring agency assistance or a prime contractor.

In addition, several provinces are striving to develop the "consortium" formula for export purposes, an approach which is necessary in many cases in order to achieve the minimum size

required to win contracts. This effort takes the form of information and support activities in the case of Alberta, Ontario and some other provinces. Quebec goes further by giving financial support to consortiums through QIDC equity participation.

Other specialized efforts have also been made — but on a limited or periodic basis — in the case of the highly technical assistance supplied by a few provinces to companies at the pre-contractual or bidding stage of a project, or in that of short- or medium-term financing of receivables. On this last point, it should be emphasized that, in Ontario and Quebec, this action is most often parallel to financing provided by the Export Development Corporation (EDC).

Emphasis on SMBs

Among the major trends that have emerged in recent years, one of the most important is undoubtedly the emphasis placed on small and medium-sized businesses (SMB). Even though the export trade has long been the privileged reserve of large corporations, the various levels of government are aware of the impetus that foreign trade can give to the growth of SMBs.

The provinces have also recognized this factor and many of them have made SMBs the cornerstone of their economy. Several provinces have also realized the need to establish aid programs designed to reduce the risk factor, which is all the greater for small companies.

Thus, the promotional activities already mentioned as examples were designed not only to share with SMBs the risks involved in penetrating new markets, but also to provide a back-up role to help these firms optimize efforts to identify and explore foreign markets. Some provinces have gone even further by giving priority to SMBs such as in Manitoba's Trade Assistance Program, or by simply limiting assistance to small companies as is the case of Prince Edward Island's Market and Product Development Program, where eligibility is reserved for companies whose gross revenue does not exceed a certain sum.

Restrictive clauses relating to sales volume and limiting access to SMBs exist elsewhere, both federally and provincially. Also, some provinces have a more selective approach and view the development of Canadian and American markets as a more appropriate springboard for helping the smaller company to gradually enter foreign markets.

Lastly, as a general rule, many of the specialized services listed above are designed to correct weaknesses commonly found in SMBs, and are most often used only when required.

Major Development

Another major development in recent years has been the importance accorded by some provinces

to training qualified human resources. It is recognized that a more structured supply also rests on the development of expertise among the management teams of exporting companies.

British Columbia, through its Management Development Program, holds workshops designed to make companies aware of export techniques. Nova Scotia and Prince Edward Island reimburse up to 50 per cent of fees for courses taken within and outside the province. Quebec offers several seminars and courses designed not just to inform but to provide specialized training to management staff. Ontario, through its new International Marketing Intern Program, enables recent graduates to acquire experience in foreign trade.

A final element which reflects provincial involvement in foreign trade is the institutional recognition given to the export industry through the creation of a trade branch in Ontario's new Ministry of Industry and Trade, and by Quebec's recent creation of a Ministry of Foreign Trade. This effort to bring together and co-ordinate various government services which provide support to exporting companies will no doubt help to improve their effectiveness and indicate the priority given to export development.

Interest Increasing

Despite the proliferation of provincial programs and services over the past decade, the provinces' interest in the export trade continues to increase. It goes without saying that the current economic situation adds a new dimension to the importance of foreign trade for the Canadian economy. On the other hand, budgetary restraints introduced by several provinces have caused some to give careful attention to their role and activities in this area.

It is, therefore, to be expected that provincial action will continue to take new forms in the future. Some provinces, having reached the point where they are able to offer a wide range of services, may well wish to rationalize their operations even further; re-organize their sector involvement in a selective or more specialized manner or in terms of local marketing strategies; or simply abandon certain programs in order to re-organize their staff in terms of particular customers or goals.

As to the provinces' philosophy vis-à-vis their role, some may wish to place more emphasis on the Canadian market and maximize the opportunities arising from megaprojects. This is already the case with some of the Maritime Provinces which, even though they have the tools to promote international trade, use them mainly for domestic purposes. It should be noted that most Canadian provinces view their trade with other parts of Canada as belonging to the export field.

Some other provinces may wish to give special attention to their representation abroad in order to encourage foreign investment.

It should also be recognized that in many sectors, provincial activity will remain marginal in comparison with the very structured federal action involving numerous diversified resources. Hence, certain provinces may wish to maximize federal assistance; this is now, in part, the case for some provinces that use their government services to provide direct support to their companies in formulating requests for assistance from federal programs such as the Program for Export Market Development (PEMD).

Other provinces will seek to strengthen current co-ordination efforts between the two levels of government in order to avoid unnecessary duplication. It should be stressed, however, that almost all provincial and federal programs contain restrictive clauses designed to prevent duplication of effort. In addition, the establishment, in regional offices in the provinces, of federal foreign trade units offering "one-stop shopping" for their programs and services should facilitate greater co-ordination of federal and provincial trade activities.

Definitions

General information: Information distributed in response to requests received by telephone, by telex, letter or in person. The information available depends on the expertise of the individuals working in this area, ranging from how to find available sources of assistance and information on existing provincial and federal programs and services to more technical information on markets (opportunities, economic situation, credit rating, etc.) and access to these markets (tariff rates, documentation, financing, insurance, international marketing, etc.).

Counselling: Providing interested persons with access to the expertise of the public sector or cost-sharing services for engaging consultants from the private sector to help develop plans and appropriate marketing strategies.

Trade Fairs: Support to the private sector for participation in trade fairs and exhibitions. Assistance usually covers (on a shared cost basis) accommodation and transportation costs related to the fair (space rental, display costs, transportation, setting up and dismantling of a booth, production of special show literature and promotional material, etc.).

TABLE: PROVINCIAL TRADE PROMOTION ACTIVITIES

	General Information	Counselling	Trade Fairs	Incoming Buyers	Market and Feasibility Studies	Market Identification Trips	Trade Missions	Representation Abroad	Export Financing	Consortia formation	Bidding Assistance	Agency Assistance	Training
British Columbia	•	•	•	•	•	•	•	•			•		•
Alberta	•	•	•	•	•	•	•	•		•			
Saskatchewan	•	•	•	•	•	•	•	•					•
Manitoba	•	•	•	•	•	•	•				•		•
Ontario	•	•	•	•	•	•	•	•	•	•	•	•	•
Quebec	•	•	•	•	•	•	•	•	•	•	•	•	•
New Brunswick	•	•	•	•	•	•	•	•					•
Nova Scotia	•	•	•	•	•	•	•	•					
Prince Edward Island	•	•	•	•	•	•	•			•			•
Newfoundland	•	•	•	•	•	•	•						

Incoming buyers: Assistance to or on behalf of the private sector to encourage visits to Canada of potential foreign buyers. Assistance usually covers transportation and accommodation costs during activities such as participation in a trade exhibition, a visit, or the discussion of a purchase contract.

Market and feasibility studies: Assistance to or on behalf of the private sector to conduct market studies, to evaluate the feasibility of entering these markets or to conduct market testing.

Market identification trips: Assistance for trips initiated by the private sector to analyse and explore new markets on site, to establish contacts and retain the services of sales representatives or agents.

Trade missions: Assistance in organizing meetings between groups of representatives from the private sector and buyers from the countries visited. Missions are usually initiated by the government and participation is by invitation only.

Representation abroad: Liaison service provided by the presence in foreign markets of government authorities having a particular interest in trade, export and foreign investment.

Export financing: Provision of financial assistance for export sales through loans, loan guarantees, insurance credits and securities. To date, provincial assistance has been complementary to EDC services, through the financing of receivables.

Consortia formation: Assistance in the development of joint marketing agreements, for the formation of export consortia between compatible firms capable of jointly developing foreign markets.

Bidding assistance: Sharing of costs incurred in the pre-contractual stage of a project called to tender. Assistance usually covers preparation of bid documents, transportation and accommodation costs, etc. (e.g. consultants, legal and translation services, obtaining of tender securities, etc.).

Agency assistance: Assistance to the private sector by acting as agent or prime contractor with the client country when government transactions and relations are preferred.

Training: Assistance for the development of expertise in foreign trade through government-sponsored workshops, seminars and courses, scholarships and advanced practical training abroad.

Picture the scene: a park crowded with teams of enthusiastic competitors, screaming cheerleaders and excited spectators. Is this a track and field event? Look more closely! One team is composed of a husky young woman barely out of her teens, a slim man in his twenties, and a slender woman who could be anywhere from 30 to 40. They are all shouting encouragement to the fourth member of the team, a stout man in his fifties, as he dives under a cargo net held down by four large tires. He is almost finished running an odd obstacle course which included running up ramps, dodging poles and hopping through tires. The scene is from a project, winning enthusiastic and growing support across Canada, that encourages employees to take the first step toward a healthier lifestyle and have fun doing it. It is

The Corporate Challenge — A Novel Approach to Health Through Fun

by Phyllis V. McDougall
Program Co-ordinator
Operation Lifestyle, Health and Welfare Canada



The Corporate Challenge is an initiative of Health and Welfare Canada's Operation Lifestyle program, sponsored in co-operation with provincial and territorial departments of health, recreation and culture.

The mandate of Operation Lifestyle is "... to increase the number of Canadian companies which provide health promotion services to their employees and their customers". Its goal, ultimately, is to encourage Canadians to make positive lifestyle changes — to help them to eat better, get fit, develop better health habits and lead more satisfying, productive lives.

To reach that goal, the Corporate Challenge promotes and co-ordinates a series of Corporate Challenge Events in communities throughout Canada. For each event, teams of 10 to 15 members, representing both labour and management, participate for their companies in a field day of friendly competitive activities. All the activities are designed so that no special skills or athletic abilities are needed. The names of many of the activities are taken from workplace terminology: executive strut; board of directors; assembly line relay; pass the buck; and red tape relay. Others are designed to focus attention on single lifestyle issues, like stress, good nutrition or leisure time management. Emphasis is on an energetic (active), educational good time.

Events can be held in summer or winter, in parks, parking lots or stadiums. They can be indoors or outdoors and even aquatic activities.

An event can only be a success if it reflects the real lifestyle needs and

character of the community in which it is held. Therefore, each participating community is encouraged to create its event in its own way.

Following broad Corporate Challenge guidelines, communities design and organize events on their own. They create the event format, select the activities, and even make up new activities to suit their own needs. Communities finance their events, provide the facilities and resources for them, and run them as they see fit. Each event is therefore unique, a special product of the community in which it grows.

Why is it called the "Corporate" Challenge? Two-thirds of the Canadian population over 15 years of age are employees, most of whom spend 60 per cent of their waking hours at their place of work and lead sedentary lives. Not all have the incentive or the opportunity to offset this with healthy activity in leisure time.

Corporate Challenge events provide an opportunity for both management and employees to become involved in positive lifestyle activities without requiring a high level of commitment in either dollars or time.

What are the benefits of the Corporate Challenge? They are manifold. Participation boosts company spirit and helps create a positive company profile as a good, responsible corporate citizen. Participation can mean the beginning of a healthier, fitter and more active workforce. Companies have discovered that where positive lifestyle habits are well established among employees, productivity can be increased, absenteeism decreased and employee turnover reduced.

Participants enjoy the opportunity to form new friendships with people outside their own work environment. Most significant, however, is the fact that for the most part teams consist of employees who have never previously taken part in track and field events. The events motivate many employees to continue running or participating in some other form of exercise on a year-round basis. In all cases, however, there is an increased awareness of the need for healthier lifestyles.

The concept for the Corporate Challenge is based on the Canadian (Corporate Cup) model developed in 1979 by Action B.C., an agency of the British Columbia Ministry of Health, to promote fitness participation in the province at the company level. The event was so successful that the Department of National Health and Welfare, with the permission of Action B.C. adopted the model and encouraged the other provinces and territories to take part in the program. The response was encouraging. Seven provinces besides British Columbia held events during the initial season of 1980. A total of 10 Corporate Challenges took place across Canada involving 250 teams and 4,000 participants.

Since then other provinces have been involved, the territories, more companies, more communities and more people. This year (1982) a total of 60 events will be held involving 25,000 participants and 900 teams. Growth of Corporate Challenge has been rapid and sustained.

The role of Health and Welfare Canada is as national co-ordinator and sponsor of the Corporate Challenge. Through its Operation Lifestyle Program, the department chairs and organizes Corporate Challenge National Development Committee meetings. The committee is composed of representatives from provincial and territorial departments of recreation, Action B.C. and Kino-Quebec.



It is responsible for the co-ordination, planning and promotion of Corporate Challenge, for resource assistance to provinces and territories, and serves as a forum for feedback from communities and for further development of the Corporate Challenge concept.

Through their departments of fitness, culture and recreation the provinces and territories are responsible for promoting the Corporate Challenge within their regions, disseminating organizational information to communities, and distributing resources.

Fresh air, fun, friendly competition, good fellowship — the basic idea is simple. Nevertheless, the Corporate Challenge has emerged as an important forum for lifestyle ideas and change. It informs participants about Canada's priority health issues including nutrition, fitness and general health. The Challenge encourages people to take an active part in lifestyle activities. It is a program through which both governments and corporations can take relevant lifestyle initiatives. And last, but not at all least, it is a force for community spirit and identity throughout Canada.

If you are interested in finding out more about Corporate Challenge, contact:

**Operation Lifestyle Unit
Health Promotion Directorate
Health Services and Promotion
Branch
Health and Welfare Canada
Ottawa, Ontario
K1A 1B4
Tel: (613) 996-1417**

A Potential \$25 Billion Export Market

During the next five years, the resources that the African Development Bank Group provides to its 50 African states members will create an export market worth potentially some \$25 billion. Where will the funds go in 1982-86? This article tells you.

By Jacques Filion
Counsellor Commercial, Canadian Embassy
Abidjan, Ivory Coast

The export market created by the African Development Bank (ADB) is particularly suited to Canadian firms because of the emphasis on development of agriculture, public utilities and transport, all fields which Canadians have the technology and experience to service.

Since its establishment in 1964, the African Development Bank has proved to be one of the most significant and effective instruments for the promotion of sustained economic and social development in its member countries. With the coming into being of the African Development Fund (ADF) in 1974 and the Nigerian Trust Fund (NTF) in 1976 the increased resources available to the ADB Group, as the three institutions collectively are called, has enhanced the reach and impact of the Bank's intervention in the economies of member countries, and has also served as a catalyst to further development by various non-regional sources of finance and development.

Bank/Bank Group/Group — The African Development Bank Group, consisting of:

ADB — African Development Bank

ADF — African Development Fund

NTF — Nigerian Trust Fund

BUA — Bank Unit of Account: equivalent of Cdn. \$1.38034

FUA — Fund Unit of Account: equivalent of Cdn. \$1.27136

For the Bank Group as a whole the allocation of funds to the various economic sectors of its members depends on how the individual institutions allocate their shares. The allocation of the ADB and the ADF are those that matter: NTF allocations are difficult to determine because the Nigerian Government is responsible for designating the sectors that will benefit. Therefore the following information on sectoral priorities and projections for 1982-86 is restricted to the ADB and ADF.

The emphasis on ADB lending is changing to give priority to agriculture over the previous priority sectors, public utilities, industry and development banks and transport.

Projected ADB Lending

The emphasis is changing. In past years the sectors which have benefited most from the ADB have been public utilities, industry and development banks, and transport, between them having received 89.3 per cent of the cumulative resources at the end of 1976, 80.5 per cent at the end of 1981, and 77.5 per cent during the five-year period 1977-81. Now the needs of member countries have altered as conditions in their economies change, and agriculture is to be given priority. The agriculture sector will receive 30 per cent of the resources, an increase of 10.3 per cent over the 1977-81 share.

The member countries of the ADB have themselves accorded priority to the agriculture sector in their development plans. Agriculture is the backbone of African economies, employing more than three-quarters of the labour force. Yet in recent years production, particularly of food, has declined. Food imports have soared, resulting in huge current account deficits and the diversion of resources from development projects to food supply.

The second most important sector will be public utilities which is to be allocated 25 per cent of ADB resources, although this is a reduction from the 30.8 per cent provided in the first five-year period. The priority given this sector results from the member countries' need to find cheap alternative sources of energy.

The transport and the industry and development banks sectors are both projected to receive 20 per cent. No further drop in transport's share is expected because the ADB is expected to play an important role during the UN decade for transport and communications for Africa. The banks sector, however, is not a high priority for multilateral financing to member countries and a decline in its share is envisaged.

The share of education and health is projected to rise slightly from 2.7 to 5 per cent because of the need to continue improving human resources. Other activities, comprising projects in housing and program lending, are to receive 5 per cent.

PROJECTED ADB SECTORAL LENDING 1982-1986
(Percentages)

Sector	Cumulative Share as at Dec. 31		Share during 1977-81	Projected share 1982-86
	1976	1981		
Agriculture	10.7	17.4	19.7	25
Transport	31.8	23.2	20.9	20
Public Utilities	36.8	32.5	30.8	25
Industry and Development Banks	21.4	24.9	25.8	20
Education and Health	—	2.1	2.7	5
Other	—	—	—	5

Projected ADF Lending

In contrast to the ADB, the ADF has tended in past years to favour agriculture and transport. These two sectors had received 63.6 per cent of cumulative lending at the end of 1981 and 65.1 per cent during the first five-year period. In the 1982-86 period agriculture will continue to be given priority and is allocated 40 per cent of ADF resources. Transport will be retained as the second most important sector in support of the transport and communications decade. It is to receive 30 per cent of total commitments, which is five per cent more than its share of 25.8 per cent during the first five-year period.

Public utilities' share is projected to drop from 13.8 per cent to 10 per cent. Industry and development banks sector will retain its historical share of 5 per cent. The education and health sector will receive 5 per cent, a sharp decline from its 15.7 per cent share during the first five-year period. Ten per cent is allocated

to other activities because the ADF intends to give more program loans in the period of the Third Replenishment to help relatively poor members to adjust their economies.

Mobilization of Technical Assistance

The Bank Group recognizes that to improve its operations and speed up the transfer of resources to its member countries it will have to pay greater attention to technical assistance activities that are directly or indirectly linked with projects. This is all the more necessary now that the Bank expects its operations to expand very rapidly.

The global technical assistance requirement for the 1982-86 period is approximately UA 213 million, with the largest share coming from ADF resources. The Bank's contributions out of its own resources will be small. Consequently, bilateral assistance will play an important role until such time as the development of the Bank Group permits it to gradually

take over the financing of the technical assistance activities for its member countries.

Technical assistance requirements to be financed out of the Bank Group's own resources and through bilateral assistance are estimated at about UA 213 million for 1982-86, i.e., nearly 3.5 per cent of the Bank Group's lending program. About 95 per cent of this will be used for feasibility and engineering studies, consultancy services, and technical assistance experts. The remaining five per cent will finance development strategy studies, sectoral studies and management improvement.

During the ADF negotiations a Technical Assistance Account was established in which five per cent of the ADF resources or FUA 50.8 million is available for feasibility and engineering studies. Since ADB does not have sufficient resources to provide more funds, it is hoped that when projects are prepared the technical assistance components will be properly evaluated. Member states' contributions in local currency will help to finance technical assistance out of ADB funds. Further, it is expected that UA 17 million will be available out of ADB funds for financing studies.

Bilateral Assistance

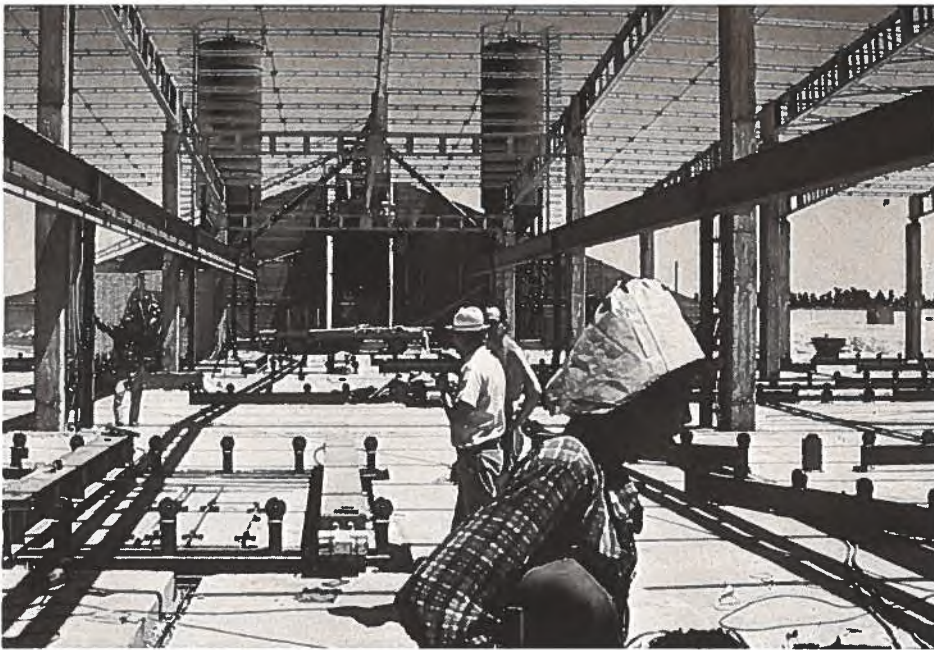
An estimated UA 83 million will have to be obtained through bilateral assistance to augment financing of feasibility studies. Although this represents the doubling of the amount granted to the Bank since its establishment, it should be noted that to date only 10 countries have co-operation agreements with the Group and that this number might double.

Multilateral Assistance

Multilateral assistance consists mainly of the co-operation agreement that the Bank maintains with the various bodies involved in project development activities and the training of staff. During the next few years, the Bank hopes to see the scope of this co-operation develop and new agreements signed, especially with organizations in charge of industrial development.

PROJECTED ADF SECTORAL LENDING 1982-1986
(Percentages)

Sector	Cumulative Share as at Dec. 31		Share during 1977-81	Projected share 1982-86
	1976	1981		
Agriculture	33.6	38.6	39.3	40
Transport	21.4	25.0	25.8	30
Public Utilities	27.3	15.9	13.8	10
Industry and Development Banks	—	4.5	5.4	5
Education and Health	17.8	16.0	15.7	5
Other	—	—	—	10



Procurement of Goods and Services

The rules of procedure for procurement under the Bank and the ADF differ in one respect only — who may bid for the supply of goods and services. Under ADF loans, bidding is restricted to contractors, suppliers and consultants from states that are participants in ADF and countries that are members of ADB. Under the Bank's loans, bidding is open to interested parties in all countries of the world except South Africa and not yet independent Namibia. In all other respects, the rules of procedure outlined here apply to all three institutions that make up the Bank Group.

Normally, international competitive bidding is required for the procurement of goods and services. In exceptional circumstances other methods may be used subject to the Bank Group's approval.

Consulting Firms

Both individual consultants and consulting firms may be employed by the Bank Group and its borrowers. The Bank Group keeps a professional services record file that includes any consultants who submit a profile. However, inclusion in the file is not to be construed as a registration, as an implication of any right or priority for selection by the Bank Group or its borrowers, or as a judgment by the Bank Group. Moreover, no consulting firm may use the Bank Group as reference on the sole basis of

having had itself included in the Group's files.

The Bank Group does not select the consulting firms for its borrowers, but it does reserve the right to not approve individual firms on the list submitted by the borrower. In selecting a consulting firm, the borrower usually begins with either an advertisement aimed at prequalifying interested firms or by drawing up a list of consulting firms with the prior approval of the Bank Group.

If the final list of consulting firms is prepared by the borrower it must be submitted to the Bank before invitations for proposals are sent out by the borrower. The Bank Group will undertake the selection if the borrower wishes, in which case the same procedure is followed but the borrower is consulted at each stage of the process.

When an individual consultant or a consulting firm is to be appointed by the Bank Group to undertake work directly for it or in its name for member countries, the selection is conducted by a committee of senior Bank officers.

In accordance with its policy of developing and promoting African enterprise and technical and managerial skills, the Bank encourages the setting up of competent African firms of consulting engineers and use of them, as well as individual African consultants, when their qualifications and experience are right for the job.

Co-Financing

Faced with the mammoth resource requirements of its member countries, the Bank Group has over the years played a catalytic role in attracting a significant in-flow of external resources to development projects by co-financing many of them with multilateral and/or bilateral development finance institutions and with non-regional private firms and banks.

Between 1977 and 1981 the Bank Group granted UA 627 million, about one-third of its overall commitments for the period, to co-finance 96 projects with a total estimated cost of UA 4.645 billion. The principal recipients were the agriculture and transport sectors, followed by public utilities, industry and development banks, and social.

While the indirect transfer attracted by the Bank Group over the past five years may seem enormous, it pales into insignificance when compared to the wide gap that has existed and continues between the resource requirements of member countries and the capacity of the Bank Group to meet them. As in the past the Group continues to see co-financing as a very effective instrument for expanding the resource base for financing crucially required development projects and will attempt to improve on its past performance in this area.

Canadian Contribution

Canada has been a contributor to the ADF since 1974. During the February, 1982, negotiations on the third replenishment of the Fund, Canada pledged \$100 million for the 1982-86 period.

The ADB also decided, during the Lusaka meeting in May, 1982, to open its capital to non-regional countries and Canada will contribute funds to support ADB activities.

Canadian companies interested in the major market presented by Bank Group activities are encouraged to contact initially the **Bureau of Africa, Department of External Affairs or the Commercial Division, Canadian Embassy, P.O. Box 4104, Abidjan 01, Ivory Coast.**

Bank Group Lending Policies

ADB and NTF

The lending policies of the ADB and NTF are virtually identical, except for lending terms, and are designed to ensure the most economic use of and equitable distribution of the Bank's resources. All member countries are eligible to receive loans on standard lending terms. The Bank bases allocation of its resources on such factors as the relative size of the member countries' gross national product and population.

Up to the end of 1981 the ADB maintained a loan ceiling of UA 10 million per project, but this is expected to be raised to a much higher level soon.

The NTF current loan ceiling is six million Naira or about UA 8.5 million per project.

Because of the relatively non-concessionary nature of the Bank's lending terms and the need to ensure that financed projects can generate the return to cover investment costs, projects selected for financing are those that are clearly economically sound and viable, and tend to be in the industry and development banks, transport, agriculture, and public utilities sectors.

ADF

The ADF gives financing priority to projects, pre-investment studies, technical assistance and programs in agriculture, health, education, roads, public utilities and energy, with special emphasis on integrated rural development. Lines of credit are granted to national development banks and to similar national finance institutions to improve agricultural output and promote small and medium scale enterprises and local trades needed in the development process.

The Fund currently maintains a loan ceiling of FUA 8.0 million, which can be exceeded in certain circumstances if approved by the ADF Board of Directors. This aspect is now being reviewed.

Loans are granted to member countries in dire need of concessional financing, with emphasis on social development. All financing is in the form of loans on concessional terms. All member countries of the Bank are eligible but because of its limited resources the ADF periodically divides member states into categories of priority — at present three broad categories, A, B and C, according to 1979 per capita GNP.

Category A, given absolute priority, comprises countries with per capita GNP below or equal to U.S. \$400; allocated not less than 85 per cent of Fund resources at present.

Category B covers member countries with per capita GNP between U.S. \$400 and U.S. \$780.

Category C countries are those which have either renounced rights to benefit from the fund or have per capita GNP above U.S. \$780. In the 1982-84 period these countries will not have access to the Fund but their eligibility could be reconsidered in the case of disasters — drought, flooding — or if they are in an unfavourable geographic position, e.g., landlocked or an island.

Five per cent of the Fund's resources are allocated to a Technical Assistance Account for preparation of projects in **Category A** and **B** countries.

Sectoral Allocation of Bank Group Resources

In allocating its resources among the various sectors in its member countries the Bank Group bases its decisions on several factors, particularly the recipient country's sectoral development needs, the priorities it gives to projects in different sectors, and the relative magnitude of its inter-sectoral allocations. Multinational projects to promote economic co-operation and integration are also given emphasis.

The Bank Group — The cumulative total of Bank Group loans at the end of 1981 was U.S. \$3,106 million. Agriculture accounted for the largest share, U.S. \$816 million (26.3 per cent), followed by public utilities U.S. \$782 million (25.2 per cent), transport U.S. \$772 million (24.8 per cent), industry and development banks U.S. \$487 million (15.7 per cent), social (education and health) U.S. \$248 million (8.0 per cent).

ADB — The cumulative total of ADB lending at the end of 1981 amounted to UA 1,359.8 million, of which public utilities accounted for UA 441.4 million (32.5 per cent), industry and development banks UA 337.9 million (24.9 per cent), transport UA 315.0 million (23.2 per cent), agriculture UA 236.6 million (17.4 per cent), education and health UA 28.0 million (2.1 per cent).

ADF — The cumulative total of ADF lending at the end of 1981 was FUA 1,020.8 million, of which agriculture received FUA 467.8 million (38.6 per cent), transport FUA 30.1 million (25.0 per cent), social and public utilities each FUA 195.0 million (16.0 per cent).

NTF — The cumulative total of NTF lending at the end of 1981 amounted to UA 66.6 million, of which public utilities received UA 22.9 million (34.4 per cent), transport UA 18.4 million (27.6 per cent), agriculture UA 9.8 million (14.6 per cent), education and health UA 8.1 million, industry and development banks UA 7.4 million.



Survival measures the small business owner can take to help through hard times and even benefit in good times are outlined in this second of two articles, specially prepared for Canada Commerce by the Federal Business Development Bank (FBDB), dealing with . . .

Survival Management

Central to the on-going operation of a small business, even more in bad times than in good ones, is having a plan which projects its objectives at least three years ahead and includes what steps need to be taken, and when, to achieve them.

The continuing and realistic review of the business plan, as was pointed out in the first of these two articles, is essential if a business is to retain the flexibility to make quick and constructive adjustments to changing economic conditions.

The Federal Business Development Bank (FBDB) which, in addition to being Canada's largest single source of small business financing is also the largest single source of management services, has found that the preparation of a business plan frequently will reveal hidden strengths in a business as well as its weaknesses.

The former can often be employed to maintain the business as an on-going operation at a time when failure has seemed just around the corner.

One of the most urgent requirements facing a small business when times are difficult is to keep it in cash. That can be done in many ways — by speeding the collection of accounts receivable while delaying the payment of accounts payable, deferring all large expenditures, reducing debt wherever possible, limiting inventory and concentrating only on those lines which move quickly.

These measures are easier prescribed than put into effect. A retailer hesitates to insist on quick payment from a valued customer who has always been slow to pay. A manufacturer hesitates to postpone the addition to his plant which he has long wanted. But management for survival in hard times, far more than in good ones, is most of all doing what has to be done as distinct from what is desirable.

Put another way, it is recognizing the limits imposed on a business operation by the character of the economic environment in which the business operates, and then learning to manage within those limits.

One of the principal attractions of a small business is that founder-owners need be responsible only to themselves. They are independent of employers, partners and shareholders. But many small business owners pay too high a price for that independence. They borrow more than they should to retain it when the better course, at least as far as keeping the business going, would be to take a partner or sell a share of the business.

So it is with other aspects of a small business operation. The founder-owner often owns his premises, his machinery and equipment, and his vehicles. This may be acceptable when times are good but can it be afforded when they are not? Might he not raise needed cash by selling his premises and then leasing them back and doing the same with his other assets wherever possible? It's no advantage to any business at any time to be asset-rich and cash-poor.

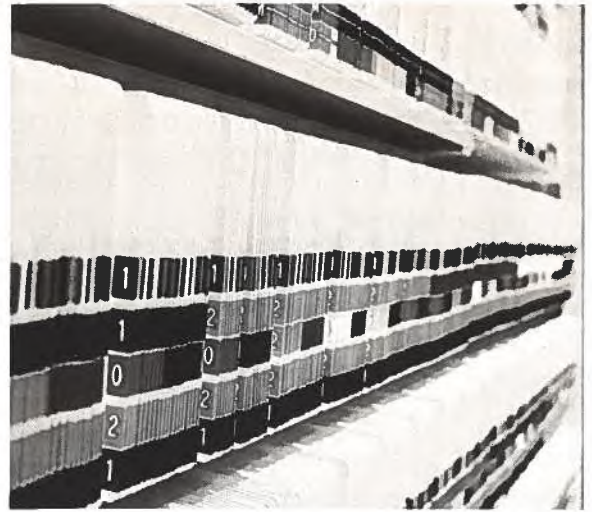
Here is another area where proper planning comes into play. Many small business owners do not realize they can raise additional cash by making a more constructive use of their assets. Similarly, many do not realize how insistence on ownership for its own sake can drain off cash flow which was better employed in other ways. With proper planning and regular reviews, these strengths and weaknesses become clear.

Small business owners need always to be realistic about their operations but never more so than when times are difficult. One area where they are frequently unrealistic is the way they value their inventory. A retailer may value his inventory at the price he paid for it plus his mark-up. But if nobody is buying at that price, the value he is putting on it is unrealistic.

Recognition of real values — that is, the price at which goods and services will sell competitively — is basic to sound management. Recognition of actual business conditions, as distinct from what the small business owner thinks or hopes they will be, is equally important. Many a small business owner has been rudely awakened to the real world by the extent to which the value he sets on his assets is discounted by his bankers and others, and with it the net worth of his business.



Managing for survival is anticipating problems before they rise and taking immediate action to resolve them. The small businessman must prepare for the worst while expecting the best. That is the essence of survival.



Many small business owners who have prospered in good times haven't known how to adjust to bad ones because they have never fully grasped what it was that made their businesses successful. They simply haven't submitted their business performance to the objective scrutiny which is implicit in planning. So when conditions are bad they spend more time worrying about the effect on their business than they do looking for constructive measures to assure survival.



Managing for survival is anticipating problems before they rise and taking immediate action to resolve them. Many a small business failure could have been avoided if the owner had not kept putting off the day of reckoning in hopes times would change. The prudent small business owner will survive if, starting out in expectation of the best, he has learned to prepare for the worst. That is the essence of management for survival.

A New York human resources consulting firm has put together the following tips for getting along with one's "boss". It sounds to us a little drastic — however, for what it's worth, we give you . . .

The "BOSS" and You — Keep Him Happy

Most people lose sight of the fact that they really work for their "boss" first and their company, in actual fact, second (although many companies would probably dispute this). If this is true then, building a relationship of trust by serving the boss loyally and faithfully — and taking care of the boss — comes in ahead of anything else in the race to the top.

In addition, such a relationship is a most vital one because it determines a person's emotional health, effectiveness, growth and success.

Human resources consultants advise that, since power emanates from the top down, an employee must keep a power line "plugged in" by mentally posing the following questions daily:

- What does the boss want me to do today? Things change. Stay in touch. Help him do his job.

- What are your boss's objectives? Support him in achieving them.
- Avoid buildup of boss's suspicions and frustrations by initiating regular communications — orally or in writing.
- Find out when your boss is most receptive (time of day, day of week). Set appointments to avoid irritating interruptions or "one-upmanship".
- Ideas must be sold. Capture them in writing; make presentation; make no ultimatums but turn your ideas over to your boss for his or her digestion, correction and acceptance.
- Study his achievement pattern. Cater to it in a spirit of partnership, complementing each other's strengths, rather than compensating for each other's weaknesses.



One's relationship with the "boss" is precious, in fact vital, human resource consultants claim, and can affect emotional health and effectiveness.

- Protect the boss against his or her own mistakes graciously. Defend his or her reputation.
- Foster compatibility; avoid build-up of hostility — be courteous, forgiving, perceptive, loyal; avoid altercations (use "yes, but" technique); keep the boss on a pedestal with honest recognition and appreciation; be dependable and truthful — be prepared.
- Be willing to put in 20 per cent overtime. Arrive early and leave when the day's work is done.
- Avoid giving away too much information to your possible competitors *within* the company.
- Study (or develop) the organization chart and develop a mutual strategy for operation and career advancement.
- Keep track of your own achievements on the job. Be ready to prove how you and your job have grown. Write initial job description; rewrite it as the job grows. This proves to your boss that you have earned a raise. Hopefully, it also proves you are on his or her team.

Changes in Canada's International Competitiveness



In an earlier edition of *Canada Commerce* (July/August 1981) Canada's international competitiveness in the production of manufactured goods was analysed in *Economists' Corner* for the period 1976-1979. That article concluded that the Canadian manufacturing sector had become increasingly competitive over that four-year period. This article updates the earlier analysis.

No single measure exists which adequately measures the combination of price, non-price and underlying cost elements to be taken into account when analysing a country's changing international competitiveness. Rather, changes in a number of price and cost series must be reviewed in order to draw an overall conclusion.

The changing relative prices of a country's goods are often seen as the most important indicators of competitiveness. A number of price comparisons can be made and, while no single index represents an ideal measure, each is indicative of Canada's competitive position.

Changing relative prices of goods are often competitiveness indicators.

Table 1 provides the changes in consumer prices and export prices (export unit value) for the seven major industrialized economies over the 1979-1981 period in the common currency of U.S. dollar and thus adjusted to reflect exchange rate changes. For reference the movements in the seven countries' exchange rates are also provided in **Table 1**. (Note that in this table a positive percentage change in the exchange rate implies a depreciation of the currency.)

The exchange rate adjusted data show that Canadian increases in consumer prices in the 1979-80 period were lower than those in the other major economies, with the notable exception of Japan. In 1981 this trend, which had prevailed since 1977, was reversed and only the United States recorded a larger increase in consumer prices.

With regard to export prices, Canada's performance throughout the period was poor. In both 1979 and

1980 Canadian export prices increased by more than 17 per cent following two years in which these prices increased by less than two per cent. During this two-year period only Italy and Britain had larger increases in export prices. It must be noted that while the prices of all categories of Canadian exports increased in the 1979 to 1980 period, the magnitude of the overall increase was due to very large increases in crude material prices and in particular to fuels and other mineral exports. In 1981 Canadian export prices rose by only 4.4 per cent; however, with the exceptions of Japan and the United States, the other major economies witnessed declines in their export prices measured in U.S. dollars.

Thus both consumer and export price data for the last three years tend to indicate a decline in Canada's overall competitiveness, particularly in 1981. The only country with which Canada clearly improved its competitive position in 1981 was the United States.

The exchange rate portion of **Table 1** clearly indicates the reason for Canada's deterioration in 1981. Canadians are quite aware of the changing value of the Canadian





dollar in U.S. terms. However, they generally are not as aware of the wide fluctuations of other currencies. The table indicates that while the Canadian dollar deteriorated 2.5 per cent in 1981 in terms of the U.S. dollar, European currencies decreased at many times this rate. Canada's relative stability vis à vis the U.S. dollar in the face of depreciating currencies in Europe explains its loss of competitiveness vis à vis Europe in 1981.

so much the result of large increases in labour compensation as of dismal productivity performance. During the three-year period Canada made virtually no overall gain in productivity.

As was the case with the price data, Canada's 1981 cost performance was greatly influenced by a relatively strong currency. The cost data support the conclusion drawn from the price data that Canada's competitive position relative to the major economies, other than the United States, has tended to deteriorate over the past three years, especially in 1981.

Rather than end on this pessimistic note something should be said about the level of Canadian cost competitiveness as opposed to the change in the level as discussed above. Unit labour cost data compiled by the U.S. Department of Labor indicated that Canadian unit labour costs have increased 25.1 per cent since 1977. Of the major economies only Japan's 21.8 per cent increase was smaller. Germany and Italy faced similar increases which those of Britain (102.0 per cent), the United States (40.6 per cent) and France (38.7 per cent) were significantly larger. Care must be taken in



Table 2 presents the changes in manufacturing unit labour costs for the major economies over the three-year period also adjusted to account for changes in the exchange rate. In both 1977 and 1978 Canada's unit labour costs declined mainly due to relatively small increases in labour compensation. In the most recent three-year period, however, Canada's unit labour cost position has deteriorated both absolutely and relatively. This deterioration was not



interpreting these results since the choice of the base year significantly affects the level of the index.

The same U.S. department also produces tables presenting the level of hourly manufacturing compensation in the major economies, each measured in terms of U.S. dollars. In 1981 the \$9.86 hourly compensation paid to Canadian manufacturing workers was lower than the \$11.06 paid to U.S. workers and the \$10.47 paid to German workers. Japanese employees received \$6.23

per hour and employees in the three other major economies also received significantly less than Canadian employees although more than those in Japan. These relative positions have changed little since 1979, although in 1980 compensation in France was higher than that in Canada and in 1979 British compensation was the lowest.

The conclusions to be drawn from the above indicators vary. However, one overall conclusion seems clear: largely the result of a relatively

strong currency and a poor productivity performance, Canada's competitive position has deteriorated vis à vis each of the six other major economies, with the exception of the United States, especially in 1981.

For further information, contact:

D.J. McCulla
Economic Intelligence Directorate
Office of Policy Analysis
Industry, Trade and Commerce/
Regional Economic Expansion
 Ottawa, Ontario K1A 0H5
 Tel: (613) 996-5871

Table 1 Changes in Consumer Prices and Export Prices for Selected Countries in U.S. Dollars

(per cent year-over-year)

	Canada	France	Germany	Italy	Japan	Britain	United States
Consumer Prices							
1979	6.3	17.5	14.0	17.2	-0.5	25.3	11.3
1980	10.3	14.1	6.4	17.6	4.4	29.4	13.5
1981	9.7	-11.8	-14.8	-11.2	7.8	-2.5	10.4
Export Prices							
1979	17.8	16.3	13.0	20.1	6.2	22.1	16.0
1980	17.5	11.6	7.8	17.6	8.2	23.2	10.6
1981 (1)	4.4	-12.1	-14.5	-8.0	6.0	-3.4	9.2
Exchange Rate (National Currency per U.S.\$ yearly average)							
1979	2.7	-5.7	-8.8	-2.1	4.1	-10.5	—
1980	-0.2	-0.7	-0.8	-3.1	3.5	-9.7	—
1981	2.5	28.6	24.3	32.7	-2.7	12.8	—

Source: IMF International Financial Statistics

(1) 1981 value for Britain is an estimate.

Table 2 Changes in Manufacturing Unit Labour Costs and Components for the Seven Major Economies in U.S. Dollars

(per cent year-over-year)

	Canada	France	Germany	Italy	Japan	Britain	United States
Hourly Compensation							
1979	7.2	20.4	18.0	20.2	1.8	32.0	9.8
1980	10.4	17.7	10.1	15.2	3.0	35.5	10.8
1981	8.4	-9.1	-13.9	-8.8	10.2	0.0	11.1
Output Per Man-Hour							
1979	1.7	5.4	4.9	7.3	8.9	3.3	1.1
1980	-1.9	0.6	1.1	5.8	6.8	0.5	-0.3
1981	0.6	2.4	2.6	2.0	2.9	5.8	2.2
Unit Labour Costs							
1979	5.4	14.2	12.5	12.0	-6.5	27.7	8.6
1980	12.6	16.9	8.8	8.9	-3.5	34.8	11.0
1981	7.7	-11.2	-15.4	-10.6	7.0	-5.4	8.7

Source: U.S. Department of Labor

Multilateral Project Opportunities

The following list of multilateral project opportunities has been prepared to inform Canadian companies of the projects being considered or already approved for financing by the international financing institutions such as the World Bank, the Asian Development Bank and the Inter-American Development Bank.

In order to capitalize on these export opportunities, experience has shown that getting in on the ground floor by advance marketing activities or use of local agents increases the probability of success. Smaller companies may wish to consider participating as sub-suppliers or as part of a consortium bidding on equipment packages.

PLEASE NOTE that further information is available on approved projects only and may be obtained from the contacts listed for each country. These officers are prepared to assist companies in formulating their bids, and to suggest the appropriate contacts for companies interested in obtaining insurance, bonds and performance guarantees which are often required as part of tender specifications.

In addition, Canadian Trade Commissioners abroad are ready to assist you in pursuing business, such as arranging meetings with personnel at the executing agencies.

Also, liaison officers in Washington and Manila are prepared to undertake enquiries on your behalf. However, we recommend that you initially contact the officer listed for each country.

Due to a reorganization in the department, certain names and telephone numbers are subject to change. Sorry for any inconvenience this may cause.

The Canadian Commercial Corporation, through the Export Supply Centre, can assist suppliers with bids on Canadian equipment packages for multilateral projects when required by the private sector. For further information, please call Bob Burwash (819) 997-5715.

KEY:

- ASDB** — Asian Development Bank
- IDB** — Inter-American Development Bank
- WB (IBRD)** — World Bank
(International Bank for Reconstruction and Development)
- WB (IDA)** — World Bank
(International Development Agency)

AFRICA

(613) 996-8188

UNDER CONSIDERATION

APPROVED

Benin

Contact: J. Desjardins

Education
WB (IDA) — \$14.0 M

Cameroon

Contact: J. Desjardins

Oil palm and rubber plantation
WB (IBRD) — \$50.8 M
Fifth Highway
WB (IBRD) — \$70.0 M

Central Africa

Contact: L. Fortin

Fourth Highway Project
WB (IDA) — \$48.0 M

Congo, People's Republic of The

Contact: R. Bélanger

Wood Processing Project
WB (IBRD) — \$10.0 M

Egypt

Contact: E. Gorn

Cairo Urban Development
WB (IBRD) — \$59.0 M
Build new port
WB (IBRD) — \$132.0 M

Ethiopia

Contact: M. MacNeil

Petroleum Exploration Program
WB (IDA) — to be determined

Industrial Development
WB (IDA) — \$30.0 M

Gambia

Contact: P. McLachlan

Urban Management and Development
WB (IDA) — \$10.0 M

Second Port
WB (IDA) — \$6.5 M

Guinea-Bissau

Contact: J. Desjardins

Rehabilitation of 500 km of paved and laterite roads
WB (IDA) — \$5.0 M

Ivory Coast

Contact: J. Desjardins

Increase agricultural production in Center-West
WB (IBRD) — \$13.0 M
Exploration and Development
WB (IBRD) — \$101.5 M

Kenya

Contact: D. Wynne

Extension and Training
WB (IDA) — \$20.0 M
Power V (Kiambere)
WB (IBRD) — \$85.0 M
WB (IDA) — \$31.0 M

Agricultural Technical Assistance
WB (IDA) — \$70.0 M
Second Structural Adjustment Operation
WB (IBRD) — \$70.0 M

AFRICA
(613) 996-8188

UNDER CONSIDERATION

APPROVED

Lesotho Contact: D. Wynne	Education IV WB (IDA) — \$10.0 M	
Liberia Contact: M. MacNeil (under consideration) P. McLachlan (approved)	Public Sector Enterprises Reform WB (IBRD) — \$5.0 M WB (IDA) — \$10.0 M Bong Agriculture Development V WB (IDA) — \$14.0 M	Agricultural Production WB (IDA) — \$15.5 M
Madagascar Contact: R. Bélanger		Improve agricultural institutions WB (IDA) — \$5.7 M
Malawi Contact: D. Wynne	Viphya Wood Industry WB (IBRD) — \$30.0 M WB (IDA) — \$2.0 M	
Mali Contact: J. Desjardins	Education III WB (IDA) — \$12.0 M Technical Assistance WB (IDA) — \$9.4 M	Power and Water Supply Expansion WB (IDA) — \$24.0 M
Morocco Contact: L. Fortin	Caisse Nationale Credit Agricole (CNCA V) WB (IBRD) — to be determined Education VI WB (IBRD) — to be determined	Fifth Education Project WB (IBRD) — \$50.0 M
Mauritius Contact: D. Wynne		Development Bank WB (IBRD) — \$6.0 M
Nigeria Contact: J. Desjardins (under consideration) P. McLachlan (approved)	Forestry II WB (IBRD) — \$50.0 M	Agricultural Development WB (IBRD) — \$147.0 M
Rwanda Contact: R. Bélanger		Highway Project WB (IDA) — \$25.9 M Second Education Project WB (IDA) — \$10.0 M Rural Services WB (IDA) — \$16.3 M
Senegal Contact: J. Desjardins	Highway V (Maintenance) WB (IDA) — \$10.0 M Phosphate Industry Development Engineering WB (IDA) — \$6.0 M	
Sierra Leone Contact: M. MacNeil (under consideration) P. McLachlan (approved)	Agriculture Development V WB (IDA) — \$17.0 M Forestry II WB (IDA) — \$10.0 M	Technical Assistance for Power Project WB (IBRD) — \$5.0 M
Togo Contact: J. Desjardins	Lome Water Supply Project WB (IDA) — \$12.0 M	
Tunisia Contact: J. Arsenault (under consideration) L. Fortin (approved)	Development of national research and extension master plans through integrated cereal-livestock production project for Northern Tunisia WB (IBRD) — to be determined Line of credit to government to be used by commercial banks for lending to small-scale industries WB (IBRD) — to be determined	Increase agricultural production WB (IBRD) — \$22.0 M

AFRICA
(613) 996-8188

UNDER CONSIDERATION

APPROVED

Uganda
Contact: D. Wynne

Second Reconstruction
WB (IDA) — \$70 M

Industrial Rehabilitation
WB (IDA) — \$35.0 M

Zaire
Contact: R. Bélanger

Increase water supply
WB (IDA) — \$18.0 M

Increase cotton production
WB (IDA) — \$11.3 M

Zambia
Contact: D. Wynne

Coal Mining Engineering
WB (IBRD) — \$6.0 M

Railways IV
WB (IBRD) — \$40.0 M
WB (IDA) — \$2.0 M

Fifth Education Project
WB (IDA) — \$25.0 M

Provide assistance for developing
energy sector
WB (IBRD) — \$11.7 M

Zimbabwe
Contact: D. Wynne

Technical Assistance and Training
WB (IBRD) — \$33.0 M

ASIA
(613) 992-0356

UNDER CONSIDERATION

APPROVED

Bangladesh
Contact: N. Barber

Imports Program XII
WB (IDA) — \$100.0 M

Natural Gas Development
WB — to be determined

Power Project
WB (IDA) — \$92.0 M

Improve port facilities
WB (IDA) — \$60.0 M

Expand rural electrification
WB (IDA) — \$40.0 M

Burma
Contact: N. Barber

Textiles
WB (IDA) — \$35.0 M

First Power Project
WB (IDA) — \$80.0 M

Construction Industry
WB (IDA) — \$20.0 M

China
Contact: R.G. Beare

Post-Secondary Education
WB — to be determined

Agriculture Project
WB (IDA) — \$60.0 M

Gujarat
Contact: M. Vandenhoff

Improving water supply and
sewage
WB (IDA) — \$72.0 M

India
Contact: M. Vandenhoff

Railways Telecommunications
WB (IBRD) — \$200.0 M

Hydroelectric Power Project
WB (IBRD) — \$300.0 M

Thermal Power Plant
Rehabilitation Project
WB (IBRD) — \$200.0 M

Oil and Gas
WB (IBRD) — \$150.0 M

Rural Electrification Project
WB (IBRD) — \$304.5 M

Korea
Contact: A. Pacher

Korea Long-Term Credit Bank
(Fifth Loan)

WB
(tentative) — \$60.0 M

Citizens National Bank (Third Loan)
WB
(tentative) — \$30.0 M

Rural Sewage Treatment Sector
WB
(tentative) — \$40.0 M

Citizens National Bank of Korea
WB (IBRD) — \$30.0 M

Nepal
Contact: M. Vandenhoff

Second Command Area Development
WB — to be determined

Rural Electrification
WB — to be determined

Promote petroleum exploration
WB (IDA) — \$9.2 M

ASIA
(613) 992-0356

UNDER CONSIDERATION

APPROVED

Pakistan
Contact: N. Barber

Gypsum Mining
WB — \$20.0 M — to be determined

Rehabilitate irrigation works
WB (IDA) — \$40.0 M

Increase fertilizer production
WB (IBRD) — \$38.5 M

Improving Operations —
Railways
WB (IDA) — \$50.0 M

Structural Adjustment Program
WB (IBRD) — \$147.0 M

Technical Assistance
WB (IDA) — \$147.0 M

Sri Lanka
Contact: N. Barber

Rehabilitate tea industry
WB (IDA) — \$20.0 M

SOUTH EAST ASIA
(613) 996-8661

UNDER CONSIDERATION

APPROVED

Indonesia
Contact: J. Brenchley

Nucleus Estate VIII
WB (IBRD) — \$80.0 M

Education XV
WB (IBRD) — \$80.0 M

Transmigration IV (East Kalimantan)
WB (IBRD) — \$60.0 M

Health and Population Sector Study
WB — to be determined

Sixth Port
WB — to be determined

Rural and Renewable Energy
Development
WB — to be determined

Coal Exploration Engineering
Project
WB (IBRD) — \$25.0 M

Malaysia
Contact: P.A. Rolland

Energy, Industry and Agriculture
WB (IBRD) — \$152.3 M

Philippines
Contact: J. MacLeod

Metalworking Industry
WB (IBRD) — \$150.0 M

Irrigation Sector
WB — \$50.0 M
(tentative)

Forestry Development
WB — \$30.0 M
(tentative)

Develop fish handling and
marketing
WB (IBRD) — \$22.4 M

Small and Medium Industries
WB (IBRD) — \$132.0 M

Improve communal irrigation
works
WB (IBRD) — \$71.1 M

Coal Exploration
WB (IBRD) — \$17.0 M

Thailand
Contact: T. Greenberg

Expand telecommunications
WB (IBRD) — \$142.1 M

Secondary Education
WB (IBRD) — \$75.0 M

Gas Plant Complex
WB (IBRD) — \$90.0 M

JAPAN
AND SOUTH PACIFIC
(613) 995-7752

UNDER CONSIDERATION

APPROVED

Kiribati
Contact: R.T. Rutherford

Betio Shipyard
WB — to be determined

MIDDLE EAST
(613) 593-4362

UNDER CONSIDERATION

APPROVED

Jordan
Contact: B. Budny

Education VI
WB (IBRD) — to be determined

Power Project
WB (IBRD) — \$35.0 M

Yemen Arab Republic
Contact: P. Furesz
G. Shannon

Highways V
WB (IDA) — \$8.0 M

Improve Agricultural Research
WB (IDA) — \$6.0 M
Fourth Highway
WB (IDA) — \$7.0 M

Yemen, People's
Democratic Republic of
Contact: P. Furesz

Highways Floor Reconstruction
WB (IDA) — to be determined

Second Power Project
WB (IDA) — \$7.5 M

SOUTH AMERICA
(613) 996-5546

UNDER CONSIDERATION

APPROVED

Brazil
Contact: K.E. Roeske/
Marie-Lucie Lambert

Companhia Vale do Rio Doce
Carajas Iron Ore Project
WB (IBRD) — U.S. \$304.5 M

Companhia Brasileira de Armazenagem
(CIBRAZEM)
Construction of grain storage facilities
IDB — \$40.0 M

Companhia Hidroelectrica do
Sao Francisco
Construction of transmission lines
IDB — \$100.0 M

Chile
Contact: J.G. Carson

Corporacion de Fomento de la
Produccion
Credit for private enterprises in agri-
culture, industry, mining, fishery and
tourism
IDB — \$180.0 M
Total cost: \$231.0 M

Colombia
Contact: P. Veilleux

Corporacion Financiera de Fomento
Agropecuaria y Exportaciones
(COFIAGRO)
Construction of storage facilities
IDB — \$20.0 M
Total cost: \$57.0 M

Fondo Nacional de Proyectos de
Desarrollo
Stage IV of national pre-investment
program studies in several sectors
IDB — \$30.0 M
Total cost: \$60.0 M

Corporacion Electrica de la Costa
Atlantica
Construction of two hydroelectric
plants on the Sinu River
IDB — \$150.0 M

Empresa de Acueductos de Santa
Marta
Construction of water and sewage
facilities for Santa Marta
IDB — \$25.0 M

Second Integrated Rural Development
Project
WB (IBRD) — U.S. \$53.0 M
Total cost: U.S. \$172.4 M

SOUTH AMERICA
(613) 996-5546

UNDER CONSIDERATION

APPROVED

Ecuador
Contact: Cynthia Hartman

Instituto Ecuatoriano de
Electrificacion (INECEL)
Prefeasibility and feasibility studies of
hydroelectric projects and non-
conventional sources of energy
IDB — \$20.0 M

Peru
Contact: Cynthia Hartman

Ministerio de Pesqueria
Increasing catch of fish for human
consumption
IDB — \$22.0 M

Uruguay
Contact: J.G. Carson

Cooperative Nacional de Productores
de Leche (CONAPROLE)
Modernization and consolidation of
dairy product facilities
IDB — \$40.0 M

Instituto Nacional de Pesca
(INAPE)
Fishery development
IDB — \$8.5 M

**CARIBBEAN
AND CENTRAL AMERICA**
(613) 992-0384

UNDER CONSIDERATION

APPROVED

Barbados
Contact: Jackie Snyder

Cariabgro-Industries Ltd.
Intermediate technology for harvesting
sugarcane. Main purpose is to improve
mechanization for sugarcane harvest-
ing by use of more sophisticated
machinery
IDB — \$346,000

Costa Rica
Contact: F.R. Harris

Sixth Power Project
Substation equipment and conductor
cable
WB (IBRD) — to be determined

El Salvador
Contact: F.R. Harris

Comision Ejecutiva Portuacia
Autonoma (CEPA)
Construction of pier to handle cargo
containers
IDB — \$33.0 M

Guatemala
Contact: F.R. Harris

Empresa Guatemalteca de
Comunicaciones (GUATEL)
Rural telephone program
IDB — \$18.0 M
Total cost: \$30.0 M

Ministerio de Comunicaciones y Obras
Publicas
Construction of a wholesale market
centre for farm products and a bus
terminal
IDB — \$25.0 M

Ministerio de Educacion
Expansion and improvement of Guate-
mala's rural primary school system
IDB — \$22.5 M

Guyana
Contact: Jackie Snyder

Mahaica-Mahaicony-Abary Agricultural
Development Authority
Secondary drainage and irrigation in
Abary Region
IDB — \$52.0 M

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Haiti
Contact: Jackie Snyder

Artibonite Valley Development Authority
Construction and rehabilitation of irrigation and drainage systems and agricultural development
IDB — \$18.0 M

Forestry Project
WB (IBRD) — U.S. \$4.0 M
Total cost: U.S. \$5.1 M

Honduras
Contact: F.R. Harris

Consejo Metropolitano de Tegucigalpa
Tegucigalpa urban development and sites with services
IDB — \$26.0 M

Ministerio de Educacion Publica
Second stage in program to expand and strengthen technical education
IDB — \$19.0 M
Total cost: \$24.0 M

Nicaragua
Contact: F.R. Harris

Financiera de Preinversion (FINAPRI)
Pre-investment studies in the private and public sector
IDB — \$4.5 M
Total cost: \$7.1 M

Instituto Nicaraguense de Aceductos y Alcantarillados (INAA)
Program to build and improve water and sewage systems
IDB — \$21.5 M

Panama
Contact: F.R. Harris

Instituto de Recursos Hidraulicos y Electrificacion
Studies for Phase I of Changuinola Hydroelectric Project
IDB — \$20.0 M
Total cost: \$36.0 M

Banco Nacional de Panama y Ministerio de Desarrollo Agropecuario
Development of 1,600 hectares for shrimp culture and development of basic infrastructure
IDB — \$13.2 M
Total cost: \$20.2 M

Ministerio de Planificacion y Politica Economica and Fondo de Preinversion
Financing of project studies included in 1982-85 public sector investment program
IDB — \$6.0 M
Total cost: \$9.0 M

Ministerio de Obras Publicas
Improvement of 68 kilometres of the Divisa-Las Tablas highway
IDB — \$17.5 M

Banco Nacional de Panama
Agriculture — production of shrimp
IDB — U.S. \$13.2 M
Total cost: U.S. \$20.2 M

Pre-investment studies
IDB — to be determined
Total cost: U.S. \$11.23 M


Royalty Visits



His Majesty King Olav V of Norway chats with Maureen Pearce (photo above) of the Trade Fairs and Missions Division of the Department of External Affairs, during a visit to Canada's national stand at the Offshore Northern Seas Technology Conference and Exhibition in Stavanger, Norway, Aug. 24-27, 1982. The 79-year-old monarch also paid a visit to the Alberta Government's exhibit where he was presented with a white Stetson. In the photo at right, Canada's ambassador to Norway, W. K. Wardroper (right), receives firsthand information from Tom Kobelt on the operation of his company's pneumatic propulsion control head valves. J. Kobelt Manufacturing Co. Ltd. of Vancouver was among the seven companies exhibiting at the Canada Stand. In all, Canadian exhibitors at Stavanger expect to have sales of close to \$9.3 million during the next 12 months as a result of participating in the show. Besides sales, the companies reported the establishment of new dealers and many new contacts.



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