

Canada-Israel talk trade

The Canadian and Israeli governments have signed an agreement designed to expand commercial, economic and industrial co-operation.

The letter of understanding between the two countries was signed during a five-day visit to Israel by Canadian Minister of Industry, Trade and Commerce Herbert Gray, who led the Canadian delegation to the third Canada-Israel joint economic committee. The Israeli delegation was led by Industry and Trade Minister Gideon Patt, who signed the letter of understanding on behalf of Israel during the talks held January 5 and 6.

During his visit to Jerusalem, Mr. Gray also met with President Yitzhak Navon, Foreign Affairs Minister Yitzhak Shamir, Chief Economic Co-ordinator Ya'acov Meridor, Minister of Communications Mordechai Zipori, Minister of Energy Yitzhak Berman and Minister of Transportation Haim Corfu.

The Canada-Israel joint economic committee reviewed the development of trade between the two countries and agreed that despite a commercial imbalance in Canada's favour, there were "good prospects for growth" of benefit to both parties.

Research institute planned

The letter of understanding signed by Canada and Israel is expected to lead to the establishment of a Canada-Israel company or institute, which would promote co-operative industrial research and development in Canada and Israel. The company, to be funded by the Canadian and Israeli governments for a specified period, is expected to become self-sustaining.

The committee also discussed ways in which the two countries could co-operate to increase trade. In reviewing trade activities, the committee said it was satisfied with the recent exchange of high level visits and agreed that further activities should be encouraged. A Canadian government trade delegation will visit Israel this year and the Canadian side said it would give serious consideration to Canadian participation in the Tel Aviv Technology 83 Fair.

The Israeli delegation said it would hold seminars this year to explain the Canadian market to new Israeli exporters. These are to be followed by Israeli trade missions to Canada and participation in the Hardware Fair scheduled for Toronto in 1983.



Minister of Industry, Trade and Commerce Herbert Gray.

Both sides noted that in order to expand export trade in some products, reciprocal acceptance of test reports by their respective standards organizations was needed. The delegations agreed that the Canadian Standards Association and the Standards Institute of Israel would be encouraged to reach some agreement on standards.

The Canadian delegation agreed that perhaps one way of redressing the imbalance in trade between the two countries would be through Canadian government procurement. The Canadian side told the Israeli delegation that Canadian industry and the Department of National Defence are prepared to purchase defence and defence-related material from Israel.

Energy group

In addition, the Canadian and Israeli delegations agreed to establish a separate working group on alternative energy. The Canadian delegation noted the significant potential in Canada for Israeli-developed biomass and solar energy systems.

The committee discussed aid co-operation between the two countries including the possibility of Canada's providing scholarships for those from third countries to study in Israel and the establishment of tripartite arrangements for project development.

In meetings with other Israeli ministers during his visit, Mr. Gray discussed long-term Canadian supplies of coal to Israel and the sale of Canadian telecommunications equipment and technology to Israel.

Vehicles test natural gas

The federal government has announced a new demonstration program designed to assess the feasibility of operating vehicles on compressed natural gas.

Under the program, small fleets or individual vehicles, including those privately owned, will receive a \$600 taxable contribution to each vehicle eligible for the program. The vehicle operator will be expected to provide data on costs and operating experience. The program will also be aimed at captive fleet operations such as taxis, school buses and light commercial vehicles.

Natural gas plentiful

Canada has an abundance of natural gas, but inadequate knowledge and experience about its use as a vehicle fuel. The demonstration program has been designed to aid in the development of natural gas as an alternative fuel, and forms part of the National Energy Program.

The program complements other federal government initiatives, including a fleet demonstration managed by Consumers Gas Company Limited and a \$6-million federal compressed natural gas research and development program, now being negotiated with the British Columbia Research Council.

Canada Development Corporation buys United States firm

Canada Development Corporation of Vancouver has agreed to purchase controlling interest in Savin Corporation of Valhalla, New York.

Savin is the second largest supplier of photocopiers in North America. CDC has agreed to purchase treasury shares from Savin at \$9 (U.S.) a share, representing in excess of 50 per cent of common stock.

The company had sales of more than \$443 million in its 1981 fiscal year, ending April 30, but reported an after-tax loss of \$2.2 million. CDC plans to finance the start-up, engineering and development of a new generation of photocopiers. Savin's new line of copiers will be manufactured in New York State. Savin Canada Incorporated, the company's wholly-owned subsidiary is only a distribution arm. CDC representatives said the corporation bought the firm because its products would complement the existing lines of CDC subsidiaries.