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## LOCOMOTIVES FOR ARGENTINA

Mr. George Hees, the Minister of Trade and Commerce, recently announced that 40 diesel-electric locomotives, valued at approximately \$14 million, had been purchased by the Argentina State Railways from the Montreal Locomotive Works Limited. The agreement, which was signed in Mr. Hees' office on November 6, was made possible under the provisions of the Canadian Government's long-term financing legislation, whereby exporters of capital goods may obtain credit that will enable them to meet foreign competition.

It was signed by General Angel Ernesto Peluffo, Argentine Ambassador to Canada; Mr. Fernando J. Tauriel, Argentine Minister in Canada; Mr. W.F. Lewis, President of the Montreal Locomotive Works Limited; Mr. H.M. Bourcier, Secretary of the Montreal Locomotive Works Limited; Mr. H.T. Aitken, President and General Manager of the Export Credits Insurance Corporation; and Mr. T. Chase-Casgrain, Secretary of the Export Credits Insurance Corporation.

### A BIG DEAL

This transaction, which involves Canadian financing of \$12.5 million, repayable by the Argentine State Railways over a period of 9½ years, is one of the largest concluded by the Export Credits Insurance Corporation. It raises the total amount of financing extended under signed agreements to \$26 million. Additional commitments and applications for financing under study amount to \$255 million.

The Exports Credits Insurance Corporation is responsible for the administration of this financing programme, under Section 21-A of the Export Credits Insurance Act, which was designed to boost exports of capital goods, to stimulate secondary industry in this country and to increase employment.

Mr. Hees said that he was pleased with the financing programme, which had been initiated by the Government. "The need for long-term financing of capital exports from Canada arose from two inter-related causes", he observed. "These involve the stimulation of employment through the provision of assistance to Canadian firms, in that they now have access to longer-term funds for credit-worthy capital projects in the export field. Canadian firms are thus enabled to bid for sound business, when they can compete in terms of price, quality and delivery, without being hampered by a lack of adequate financing. This business captured by the Montreal Locomotive Works Limited is typical of the new export opportunities opened up for Canadian industry."

### OTHER FIRMS INVOLVED

Two other Canadian firms, the Canadian General Electric Company Limited and the Dominion Engineering Company Limited, played a major role in this successful commercial effort and will share in the gains as the principal equipment suppliers. They undertook to "tool up" for the special production necessary for the particular model of loco-

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