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GERMAN INDUSTRIALISTS TOUR CANADIAN INDUSTRY

The Honourable Edward C. Lumley, Minister of Trade, announced today that representatives from eleven companies from the Federal Republic of Germany are visiting Canada to gain first-hand knowledge of Canadian industrial capabilities.

Kraus Maffei of Munich, the company that supplied Canada with the Leopard tank, its main sub-contractors and associated companies will then be in a better position to locate Canadian companies to bid on various manufactured product requirements to fulfill the offset agreement between Kraus Maffei and the Canadian Government.

Kraus Maffei committed itself to place at least \$115 million over ten years in offset purchases in Canada when the Canadian Armed Forces bought 130 Leopard tanks in 1976. The company, however, has already satisfied 75 per cent of its obligations under this program, with the purchase of \$86 million of Canadian manufactured goods and services.

Federal and provincial government officials have participated in selecting companies to be visited. The purpose is to try to broaden the group of companies participating in this program and include more regional involvement. Under the offset agreement, Krauss Maffei must demonstrate a clear involvement in assisting with the purchase of new Canadian manufactured products or services by German companies, rather than repeating orders under contracts in place before 1976.

- 30 -

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