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THYSSEN TO EQUIP CHINESE WATER TREATMENT PLANT

International Trade Minister John C. Crosbie announced today that the Government of Canada, working through the Export Development Corporation (EDC), will finance the sale of water treatment equipment and related services by Thyssen Canada Ltd. to China with a loan of up to \$5.85 million.

Thyssen Canada Ltd., a project management company formed in 1967, will deliver the equipment, and also provide training and engineering services to the staff of the Fuzhou Running Water Corporation. The water treatment plant at Fuzhou, in the Chinese province of Fujian, will create directly and indirectly 177 person-years of employment in Canada. Thyssen employs 25 people at its facility in Rexdale, Ontario, and provides basic engineering, procurement, supervision of plant erection, and start-up.

This transaction has been reviewed under and complies fully with the Canadian government guidelines regarding trade with China announced on June 30, 1989. The project includes a training component that offers direct, people-to-people exchanges. The production of the water treatment plant is clearly directed towards civilian domestic needs.

The transaction is financed under a line of credit between EDC and the Bank of China. EDC lends the funds to the Bank of China, which in turn lends them to Chinese buyers. In this case, the buyer is the China National Machinery Import and Export Corporation.