

Rail agreement signed in Brazil

Secretary of State for External Affairs Mark MacGuigan visited Brazil, March 7-13, where he signed an agreement for the supply of \$40-million worth of Canadian rail equipment to that country.

The visit, which took Dr. MacGuigan to Brasilia, Rio de Janeiro, Salvador and São Luis, was the third by a Canadian minister in the past four months.

Under the memorandum of understanding, signed by Dr. MacGuigan and Brazilian Minister of Transportation and Public Works Eliseu Resende, Bombardier Incorporated of Montreal will supply components, spare-parts, services and equipment to modernize and rebuild 79 locomotives of the Brazilian Federal Railway System.

The \$40-million (U.S.) contract is accompanied by an additional \$80 million in untied "parallel" financing from the Banque National Canadien.

International questions

While in Brasilia, the Canadian minister held meetings with Brazilian Foreign Minister Ramiro Elysio Saraiva Guerreiro to discuss international issues such as the North-South dialogue, the Law of the Sea Conference and the situations in central America and southern Africa. The two ministers also reviewed the rapidly expanding bilateral relationship and indi-



Memorandum of intent is signed between the National Film Board of Canada and Embrafilme of Brazil. (Left to right): Celso de Souza from the Brazilian Education Ministry; Canadian Ambassador R.S. MacLean; National Film Board Chairman James Domville; Secretary of Culture Aloysio Magalhães; Secretary of State for External Affairs Mark MacGuigan; Director-General of Embrafilme Celso Amorim; Chief of Protocol, Rio State Government Regina Castello Branco; and Mayor Moreira Franco of Niterói, State of Rio.

cated that they would like to see further co-operation in the commercial, technical and cultural fields.

Dr. MacGuigan and Mr. Guerreiro also took the opportunity to open the fourth session of the Canada-Brazil joint economic committee. The committee was set up to review and identify areas of

mutually beneficial trade, investment and technical co-operation.

In his opening remarks to the committee, Dr. MacGuigan said: "We have made enormous progress in the development of our relations during the past few years, but I think we have only touched the surface of what we can do together in the coming decade."

Two-way trade surpassed \$1 billion during 1980 and 1981 and Canadian loan exposure and investments in Brazil make that country Canada's leading economic partner in the western hemisphere after the United States.

Brazil ranks as the leading source of Canadian imports of coffee, frozen orange juice concentrate and bauxite ore and has recently made significant sales of manufactured goods to Canada, including aircraft, sports cars and electronic computers.

The Brazilian market has been an important destination for such Canadian exports as wheat, fertilizers, coal and newsprint, although major sales of high-technology goods to Brazil are under consideration.

In addition to his meetings with Minister Guerreiro, Dr. MacGuigan also met with Brazilian President João Figueiredo who will visit Canada this July. It will be the first visit to Canada by a Brazilian head of state.

The Canadian external affairs minister



Ruy Barreto, President of the Commercial Association of Rio (with headphone) and State Secretary of Education and Culture Arnaldo Niskier watch, as Dr. MacGuigan speaks during luncheon at the Associação Comercial.