

Export report (Continued from P. 2)

support of Canadian efforts. Prime ministers, presidents and monarchs of other countries have been used to support their firms. The stakes are high, and there is need for appropriate focus, but major turnkey projects have become politicized and Canadian political leaders must lend their weight too. The appointment of a minister responsible for international trade is seen as a very positive step in this connection.

The scale of some of these projects is so huge that often technically capable firms will not bid because of the possibility of unforeseen crippling risks for which insurance is difficult or impossible to obtain.

The Committee, therefore, finds merit in the creation of a public-private facility, on a joint ownership basis, for risk evaluation and assumption of major risks in procurement and delivery of large capital projects for export markets. It is recommended that a contingent liability fund be established by the Federal Government for the recommended new facility, and that it operate on the principle of cost recovery rather than subsidy. The new facility would report through the Export Trade Development Board to the Minister of Industry, Trade and Commerce.

Export and small business

...Many small firms which could be exporting are not. Many of them are unaware of Canadian export services and many are intimidated by unknown documentation procedures and currency risks. It is recommended that government export support services be directed towards small firms, that simpler export credit insurance procedures be offered, that help be given with documentation, and that trading houses be encouraged to operate in areas beyond the major cities.

In general, the Committee feels that

small Canadian firms that are internationally competitive should be given major economic incentive to overcome the cash flow impediments to growth and to exploit their competitiveness to Canada's advantage.

New skills required

If Canada is to build on its strength as an exporter of raw products so as to include

export of more differentiated manufactured goods, new skills must be learned and the climate for learning them must be made more attractive. It is the position of the Export Promotion Review Committee that a significant opportunity now exists to increase the volume and alter the mix of Canadian exports, and that the need to do so is pressing and urgent in terms of Canada's international payments....

News briefs

The Canadian International Development Agency will provide \$248,000 to carry out a study designed to evaluate methods of streamlining inventory procurement and communications systems within the state mining corporation of Bolivia (Comibol). The Bolivian government has indicated that it will invest \$100 million in mining equipment, and Canada is expected to receive a substantial portion of this business. The study will be undertaken by the firm of Interimco International of Ottawa and will be funded from the Industrial Cooperation Division of CIDA under the terms of its recently announced Canadian Project Preparation Facility (CPPF).

A trade mission from Quebec, headed by provincial Minister of Industry, Commerce and Tourism Yves Duhaime, recently paid an official visit to Cuba. The Minister and nine Quebec manufacturers were received by ministers and top officials in Cuban foreign trade, tourism, transport, economic co-operation and primary industry. Trade matters and Quebec-Cuba exchanges were discussed, within the larger context of Canada-Cuba relations. Cuba is Quebec's tenth-largest customer. The Minister extended invitations to Cuban officials to visit Quebec in the summer of 1980 and urged Cuba's participation in *Les Florales internationales de Montréal 1980*, the international horticultural exhibition to be held in Montreal from May to September.

Northern Telecom Limited of Montreal said its subsidiary, Northern Telecom International Limited, was the successful bidder for a contract to supply South Korea with digital transmission equipment worth an estimated \$90 million. Northern Telecom said details of the three-year contract are still to be negotiated.

A \$35-million contract to design a \$2-billion section of a university in Saudi Arabia has been won by a group of Canadian companies. Carl Schwarz, vice-president of Campus Consortium Consultants Ltd., said it will take three years to complete the design for the men's campus, one of three parts of the future university.

Health and Welfare Canada has announced a 17.3 percent increase in the Medical Research Council (MRC) budget for 1980-81, bringing the total to \$82.2 million. This represents \$11.9 million in additional funding for MRC extramural programs over the 1979-80 budget. The Medical Research Council is one of three granting councils with major responsibilities for the federal support of basic and applied research carried out in Canadian universities and their affiliated institutions.

The Export Development Corporation (EDC) and Bancomer S.A. recently announced the conclusion of a \$2.35-million (U.S.) joint agreement to finance the sale of a sawmill for Forano Inc., Plessisville, Quebec, to Cia Maderera del Guadiana S. de R.L. de C.V. of Durango, Mexico. EDC is providing \$1.5 million with Bancomer S.A. of Mexico providing the balance of \$850,000. Bancomer is Mexico's largest commercial banking system with assets in excess of \$4 billion (U.S.) and an extensive network of branches throughout Mexico. This is expected to be the first of several joint financing arrangements between EDC and Bancomer assisting Canadian sales to Bancomer clients in Mexico.

Sir William Stephenson was not the author of *A Man Called Intrepid* as reported in *Canada Weekly* dated February 13, 1980. Canadian journalist William Stevenson penned the book, which outlines Sir William's activities as an Allied agent during the Second World War.

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