

## Ikarus-Orion buses roll in Ottawa



John Bonsall, the general manager of OC Transpo (fifth from right); Lajos Nagy, Hungary's ambassador to Canada (third from right); officials of key Hungarian economic and trade agencies; and Canadian representatives for external trade greet Hungary's Deputy Prime Minister, Jozsef Marjai on the step of the first Orion bus received by OC Transpo.

During the visit to Canada of Hungarian Deputy Prime Minister Jozsef Marjai in October, OC Transpo, Ottawa's bus company, put into service the first of 34 buses purchased from Ontario Bus Industries (OBI) in Mississauga, Ontario. The sale, valued at \$8.8 million (Cdn), was the first in Canada of the articulated buses produced under the Hungarian trade name of Ikarus and sold by OBI as Orion.

The buses are being manufactured as a result of a production agreement between Mogurt, the Hungarian Trading Company for Motor Vehicles, and OBI.

According to OBI president Don Sheardown, the Orion articulated bus is 50 per cent Canadian, 25 per cent Hungarian and 25 per cent from the US. The Hungarian-built frame is mounted on a Canadian-built axle and tires in Hungary and then shipped to Mississauga for painting and installation of the engine, transmission, windows, seats, flooring and electrical fittings.

### Bilateral trade

Trade relations between Canada and Hungary are based on a bilateral agreement first signed in 1964, and mutual responsibilities resulting from membership in the General Agreement on Tariffs and Trade. Consultations, which take place periodically, were last held in Budapest, November 13-14, 1984, during the visit of Minister for International Trade James Kelleher.

The number of co-operation agreements between Canadian and Hungarian companies

are increasing. Two such agreements were signed during Mr. Marjai's visit.

Canada's exports to Hungary consist largely of crude and fabricated materials such as raw hides, organic chemicals and woodpulp. Some sales of agricultural machinery have been made, and a long term arrangement for the sale of poultry breeding stocks has produced steady sales.

Exports have skyrocketed in 1985 and for the January-to-August period are running 50 per cent higher than in the same period in 1984. For 1985, two major sales are important to the mid-year export picture figure: a \$2-million order of feed (shelled corn) and a \$3.8-million delivery of mining machinery (coal sorting equipment).

Hungarian exports to Canada have been mainly manufactured goods such as wearing apparel, furniture and crystal tableware. Other important exports are food products and semi-finished products including chemicals, leather and textiles.

Canada's future export prospects to Hungary are considered to be especially good. Canadian firms are particularly competitive in World Bank-funded projects in the energy and agricultural sectors.

### Trade with Hungary

	January-August 1984	1985	Change (per cent)
Exports	9.0	13.5	50
Imports	22.3	20.3	-10

## Trade gate to China

Over 100 companies from Canada offering an extensive range of products from air compressors to X-ray apparatus and technology, will participate in the Canadian exhibit at TRADEXPO '86, the 1986 Canadian Products and Technology Show, in Guangzhou, China, January 17-22, 1986.

TRADEXPO is expected to generate significant sales in both products and services for the Canadian firms as more than 6 000 Chinese government representatives in charge of purchasing and training, representing 22 provinces and over 500 government departments, will attend.

The show is being co-organized by the China Council for the Promotion on International Trade and the Canadian China Trade Consulting Corporation, a group of Canadian business people whose objective is to provide the most up-to-date Chinese trade information to Canadian manufacturers, and to serve as a follow-up medium between Chinese government purchasing agents and Canadian exporters when the show ends.

China is Canada's fifth largest export market worldwide and second largest in the Asia-Pacific region. China's imports from Canada amounted to \$1 067 billion (Cdn) in 1984 while exports to Canada amounted to \$245 million.

## Auto parts for Germany

Minister of Regional Industrial Expansion Sinclair Stevens and Helmut Schäfer, member of the board of Bayerische Motoren Werke AG (BMW) recently reviewed the company's plans to increase its purchase of Canadian auto parts and to sign a memorandum of understanding.

BMW intends to expand its annual purchase of Canadian automotive components from a 1984 level of approximately \$8.5 million to more than \$40 million a year by the end of the decade. The company will also encourage German parts suppliers to invest in Canada, either directly or through joint ventures with Canadian firms.

Mr. Stevens welcomed BMW's commitment to the expansion of Canada's automotive industry. "This will be a valuable boost to this important industry in Canada and is good news for the workers in the auto parts sector," he said.

Dr. Schäfer said: "BMW is very pleased with the quality of Canadian auto parts and will work with the Canadian government to increase our purchases five-fold by 1990."