

### Canada/Italy sign aviation double taxation avoidance pact

Canada and Italy signed on October 29 an agreement for the avoidance of double taxation of income derived from the operation of aircraft in international traffic.

Secretary of State for External Affairs Allan J. MacEachen signed for Canada and Italian Ambassador to Canada Baron Maurizio de Strobel di Fratta e Campocigno signed for Italy.

The agreement, which will apply for taxation years commencing on or after January 1, 1970, provides that each Government will exempt from any income or profits tax imposed by it the earnings derived by an enterprise of the other country from the operation of aircraft in international traffic.

### New processing method for molybdenum

About 90 per cent of Canada's molybdenum, a metal used in making high-strength steel, comes from British Columbia, which last year produced more than 52 million pounds worth about \$30 million. Some 75 per cent of "moly" left the province in the form of concentrate.

A Chilean graduate student at the University of British Columbia, after three years of research under two supervisors, has developed a new method of "roasting" moly to remove its sulphur content, the next step in processing after concentration. Compared with a conventional roasting plant, using the new method would cost about 60 percent less to build, 40 percent less to operate and would consume a fraction of the fuel. Apart from these production savings, roasting moly in B.C. would add about 20 cents a pound to its value.

### Forest products mission from the European Communities

A delegation from the Commission of the European Communities and representatives of the European forest-based industries, invited by the Federal Government, recently concluded a two-week visit to Canada. The visitors met with Industry, Trade and Commerce Minister Alastair Gillespie,

officials of federal departments, provincial authorities and representatives of the Canadian forestry industry. Meetings took place in Ottawa, Vancouver, Quebec and Montreal.

Canadian policies on resource development were discussed, as were the development policies of trade and industry. While indicating Canada's intention to remain a dependable supplier of forest products, Canadian officials outlined those factors that have led to the development of new policies designed to achieve increased processing of Canadian resources prior to their export.

Both federal and provincial authorities reiterated their recognition of the important role of foreign investment in developing the resource industries. There was substantial discussion of recent federal legislation and emerging provincial resource-development policies.

The Europeans spoke of the growing demand for imported wood fibre and sought to determine means of assuring a continuing supply for their market. Opportunities for mutually beneficial co-operation were identified.

Note was taken of the important effect the forthcoming Tokyo round of the multilateral tariff negotiations could have on international trade in this industry. It was agreed that there was a need for continuing consultation between Canada and the European Communities on trade and industrial co-operation in forest products to maximize the mutual benefits. Discussions will cover economic, technical and commercial developments, as well as the evolution of Government policies.

### Sweeping success at International cleaning equipment show

With well over \$1.25 million in projected first-year sales, nine manufacturers of cleaning equipment from Ontario have shown that well-designed products will find a ready market in Europe, despite strong local competition.

The companies exhibited at an Ontario government stand during the second International Cleaning and Maintenance Exhibition at Olympia, London, which closed October 18. The trade show, subtitled "Europaclean '74", was a small, but important venue

for customers in both Britain and EEC countries, who, it is claimed, are being pushed by increased costs into adopting North American cleaning and maintenance equipment that is said to be highly efficient and requires less labour.

Five of the nine companies either completed or were in the process of completing distribution and licencing arrangements in European countries. The remaining four, already represented in Britain, made useful contacts for sales outside Britain. All were delighted at the large number of enquiries from users throughout Europe.

Sample sales worth over \$60,000 were made by companies for products ranging from floor scrubbers, polishers, a device for clearing blocked drains, vacuum and steam carpet cleaners, and cleansing compounds, to special brushes for cleansing work in dairies and food plants.

The stand was sponsored and organized by the Ontario Ministry of Industry and Tourism, Toronto, through its business development branch at Ontario House in London.

One company was expected to sell 60 or more hydraulic work platforms worth about \$250,000 to British and European customers next year.

Cash sales of well over \$15,000 were reported for steam carpet-cleaning equipment, and a further \$60,000 was estimated in sales to Britain as a result of leads taken at the show, including an important order from Britain's newest hospital at Dundee — the largest in Europe — where there are 10,000 square yards of carpet to maintain.

Sales of up to \$1 million for cleaning compounds were reported in the first full year, either through a British distributor or by a manufacturing licensee.

Five distributors covering Britain and nearly every European country were appointed by one company for floor- and carpet-cleaning equipment. Orders worth up to \$250,000 are expected during the first year.

Other immediate results included: an estimated \$50,000 in first-year sales for floor machines among new distributors in Scotland, Europe and Scandinavia; \$50,000 in sales for special brushes in Britain; and volume business was expected from some 60 enquiries about air sanitizers and a drain-clearing device.