

Corporation and the Associated Ores Mining Company. The best opportunities for Canadian firms in this sector are believed to lie in the provision of equipment and services for development of the Itakpe iron ore mine.

## Manufacturing

The manufacturing sector in Nigeria has grown rapidly in the last 10 years. Major activities include the production of beer and soft drinks, cotton textiles, apparel, tobacco products, soaps and detergents, cement, metal products, and locally assembled vehicles and equipment. The sector's contribution to real value added in 1980/1981 was estimated at 6 per cent. In line with government policy almost all industrial enterprises are largely locally owned.

A major consideration of foreign manufacturing concerns in establishing Nigerian joint-ventures in Nigeria is the large domestic population. While most firms have been successful, they have complained of frequent power cuts, high maintenance costs, occasional delays in arranging port clearances for raw materials, and competition from cheaper imports and smuggled goods. Because production costs for manufacturing in Nigeria are considered to be high, most firms depend heavily on tariff protection.

Major new enterprises being developed by government agencies include the iron and steel complex at Ajaokuta, pulp and paper mills under construction at Jebba, Calabar and Iwopin and a nitrogen fertilizer plant planned near Port Harcourt.

## Transportation and Energy

Nigeria has spent heavily on transportation and power generation projects in the last seven years. Seaport development has now expanded to such an extent that there is concern about over-capacity. Major ports include Lagos (Tin Can Island and Apapa), Port Harcourt, Warri, Calabar and Onne.

The existing railway is being modernized and a major program to build new standard gauge railway lines has been launched. A major road building program has relieved the worst congestion in the large cities and long-distance trunk roads now link all important