



# Chrysler selects Canadian plants for launch of new minivans and sedans.

**U**.S.-based Chrysler Corporation has chosen Canadian plants as future production sites for two new vehicle lines.

In a March 28 speech to the Windsor, Ontario, Chamber of Commerce, G. Yves Landry, Chairman of the Board, President and CEO of Chrysler Canada, said: "Chrysler Corporation has made the decision to build the next generation of minivans at the Windsor assembly plant, in both its short- and long-wheel base versions."

Chrysler Canada will release more details later, but Landry said that gearing up for production of the new models "will require substantial capital investments."

Landry also responded to speculation in the Canadian financial press about a new mandate for its Brampton, Ontario, plant where the company produces its

"LH" family of sedans. "I can confirm today that the commitment has been made for Bramalea to be the home plant for the next generation of LH vehicles, and there are great expectations for these products and the associated investments.

"However we are still almost a year and a half away from any changeover and it is our corporate policy not to disclose or comment on future product and investment that far ahead of time." ♦

## Favourable Canadian tax treatment brings 20 shipping companies to port in Vancouver

**U**nsurpassed market location, superb facilities and one of the world's great anchorages. These assets have long filled Vancouver's harbour with shipping from ports throughout the world.

But in recent years, Canada's Pacific gateway has been a magnet not only for ships but for shipping companies, at least 20 of which have set up headquarters in the city over the past two years.

One of the main attractions is a change in Canadian income tax regulations that apply to international shipping companies. In 1991, the federal government changed the rules as they applied to foreign-incorporated

shipping companies. Now they can have their headquarters in Canada without being subject to taxes on worldwide earnings from international shipping activities.

Vancouver has been attracting shipping company headquarters in the face of formidable competition from other Pacific Rim ports, notably Singapore and Hong Kong. One reason is that the new Canadian tax treatment compares very favourably with that of its rivals. Another is low operating costs: it costs less to recruit and retain experienced staff in Vancouver than it does in Singapore. Office rents are about one fifth of

Shipping groups that have moved into Vancouver since 1991 include:

- **Fairmont Shipping**, a major ship management company from Hong Kong;
- **Valles Steamships (Canada) Ltd.**, previously based in Hong Kong;
- **Teekay Shipping**, a Bahamian/Danish/U.S. group which moved control of its 60-tanker fleet from Long Beach, California;
- **Golden Ocean**, a Taiwan/U.K. company;
- **Oak Steamship Company** which moved from Hong Kong;
- **Methanex**, the world's largest shipper of methanol, which is pulling together all of its ship chartering and operating activities from Chile and New Zealand to Vancouver;
- **Pacific Concord International** of China; and
- **Seaspan (Cyprus) Limited**.

those in Singapore and one tenth of those in Hong Kong and Japan. ♦



Over 64.6 million tonnes of export and import cargoes passed through Vancouver's terminals in 1994. The port, Canada's largest by far, has a wide range of shipbuilding, ship repair and support services.