been originally outlined. Despite the cutback in planned public investment expenditures over the five year period, the primary objectives and strategy of the Plan have remained as originally planned.

In spite of temporary funding problems, the public sector investment under the Plan is expected to be directed toward a major program of exploration and development in the all important petroleum sector (about U.S. $17.3 billion or almost 30 per cent of total planned outlays) and completion of many of the large projects undertaken as part of the Fifth Plan, including expansion of the steel production capacity of CUG-Side-Rurgica del Orinoco (SIDOR), the Guri hydroelectric facility, the Interamericana de Alumina C.A. alumina project and the Caracas subway. Work on new projects such as the planned steel and coal complex in Zulia state will proceed in a more controlled fashion consistent with market conditions.

Five-year expenditures for health, education, nutrition and housing are projected at almost U.S. $14 billion or more than 23 per cent of outlays. Of this amount, almost U.S. $10 billion is allocated for housing. Other priorities are manufacturing and agriculture with planned expenditures of U.S. $4.5 billion and U.S. $3.5 billion respectively. Private sector investment is expected to fill potential shortfalls particularly in labour intensive manufacturing industries. The 1983 budget, with its expected cuts from 1982, will negatively affect the transport, urban development and defence ministries while leaving untouched the Caracus subway, education, agriculture and the Pan-Am games.

Market Opportunities

Prospects for a substantial pickup in Canadian-Venezuelan trade will improve significantly in the medium term as the Venezuelan economy begins to pull out of recession. In particular, Venezuelan import demand can be expected to grow more strongly than in the recent past as a result of the expanded need for capital equipment to support large scale development projects, particularly in the petroleum sector. Although Venezuela plans to emphasize the use of local firms to boost industrial production, there will still be substantial room for foreign suppliers. The fastest growing import category will likely be machinery and transportation equipment which presently account for well over 40 per cent of total Venezuelan imports. The investment program of Petroleos de Venezuela, the state-owned oil conglomerate is itself expected to generate demand for imports of up to U.S. $1 billion a year by 1984. Besides oil projects,