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HARRIS FARINON AND NEWBRIDGE NETWORKS EXPORT TELECOMMUNICATIONS EQUIPMENT TO CHINA WITH HELP FROM EDC

International Trade Minister John C. Crosbie announced today that the Government of Canada, working through the Export Development Corporation (EDC), will lend up to \$10 million to China to finance the sales of telecommunications equipment by Harris Farinon Canada Inc. (Harris Farinon) and Newbridge Networks Corporation (Newbridge). Combined exports by both companies will generate over 350 person years of employment in Canada.

The first project, in Guangdong Province, involves the supply of digital radio equipment kits by Harris Farinon for final assembly at a factory in Shenzhen. Harris Farinon is based in Dorval, Quebec where its 350 employees design, manufacture and service communications equipment.

Newbridge Networks Corporation of Kanata, Ontario will join forces with Harris Farinon for the second project: a digital communications network for power administration in five northwest provinces. Harris Farinon will supply digital radio equipment and Newbridge will supply multiplex equipment to the Northwest Power Bureau in Shaanxi. Newbridge employs 1 400 people and produces digital networking equipment sold in more than 40 countries.

Both transactions have been reviewed under and comply fully with the Canadian government guidelines regarding trade with China announced June 30, 1989. The projects preserve existing links established by both exporters in the past, and include a training component that offers direct, people-to-people exchanges. The communications equipment is clearly directed towards civilian domestic needs.

The transactions are financed under a line of credit between EDC and the Bank of China. EDC lends the funds to the Bank of China, which in turn lends to the buyer, the China National Instruments Import and Export Corporation. This Corporation then acts as purchaser for the endusers in Guangdong and Shaanxi, the Communications Telemetry and Telecontrol Research Institute, and the Northwest Power Bureau.

EDC is Canada's official export credit agency, responsible for providing export credit insurance, loans, guarantees and other financial services to promote Canadian export trade. EDC reports to Parliament through the Minister for International Trade.

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