UBRARY | EELIOT

A PUBLICATION OF THE CANADIAN BUSINESS ASSOCIATION OF HONG KONG

CANADAPHONGKONG

CA1 EA936 C13 Feb/Mar 1984





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Canada-Hongkong Business (Tel. 5-422366) is published by the Canadian Business Association of Hongkong in co-operation with the Commission for Canada in Hongkong.

This publication does not necessarily reflect the views of the Canadian Business Association of Hong Kong nor those of the Commission for Canada

In our cover story this issue we cater to the growing number of Hong Kong entrepreneurs who wish to do business with, and invest in, Canada. The cover story is split into four main sections: immigration, taxation, investment incentives and franchises. In the first we take a detailed look at the recently updated immigrated requirements while in the second a firm of lawyers outlines the tax situation for both residents and non-residents and offers advice to people intending to open businesses in Canada. The Federal Government has several institutions and bodies to broaden the availability of investment incentives to small businesses and part three examines these. The

final story analyses the pros and cons of franchising from the point of view of both franchisor and franchisee.

COVER STORY

Update on Businessmen and Canadian Immigration

By W.E. Sinclair



About five years ago, special provisions were introduced into Canadian immigration law to facilitate the admission of experienced businessmen who could make significant contributions to economic life in Canada.

These changes were the result of federal and provincial initiatives. They simply recognized that most people in Canada work in the private sector and that one of the most

effective ways of creating permanent jobs is to encourage and stimulate the growth of small businesses.

In its own way, the entrepreneurial

immigration program is part of a national strategy to maintain and create jobs for Canadians.

Anyone with a genuine interest in settling in Canada, who has a proven track record and some definite ideas about doing business in Canada can contact the immigration section of the Canadian Commission for further information. Application forms are freely available.

Normally a formal application will follow an exploratory visit to Canada to assess, at first hand, prospects for business there.

Visitor visas are routinely issued to legitimate businessmen who hold Hong Kong Certificates of Identity, who wish to travel to Canada for this purpose. Holders of Hong Kong Passports, who are citizens of British Dependant Territories, do not require visas to enter Canada as visitors.

The visit allows the businessman to personnally evaluate opportunities for investment, as well as to investigate costs, taxes, sources of finance and the services available from local, provincial and federal agencies.

As circumstances dictate and if appointments can be arranged, some applicants find it useful to meet officials in one of the provincial ministries involved in economic development to discuss preliminary business plans.

"Most business immigrants will have formulated a specific project or proposal before submitting their applications."

To qualify for selection as an immigrant entrepreneur an applicant must intend and be able to establish, acquire or make a substantial investment in the ownership of a business or commercial venture which will make a significant contribution and which will create or maintain employment for at least one Canadian resident.

The businessman must participate actively in the management of the venture and the jobs must be for people other than members of his immediate family.

Most business immigrants will have formulated a specific project or proposal before submitting their applications. Wherever possible, a concise but well defined description of the business project should be offered in support of the application.

After preliminary screening an interview with a Canadian visa officer is arranged to confirm the applicant's business background and to determine the extent of his commitment to the project. If it appears that the applicant could meet the requirements for immigration and where the case is supported by a business proposal, the project is then referred to officials in the appropriate provincial ministry for further evaluation.

Bringing their specialized economic knowledge to bear on the project, they report on the viability and economic impact of the venture. Unless they endorse the project, the case cannot be unconditionally approved.

If the project attracts provincial support, routine immigration formalities, including medical examination, are completed before an immigration visa is issued.

Where an entrepreneur does not have a specific or sufficiently defined proposal ready in support of his application but has an impressive business background, the

visa officer or provincial agency may recommend his provisional admission.

After completing normal immigration requirements and it is determined that there is no federal or provincial objection to admission, the applicant is issued a Minister's Permit and Employment Authorization valid for up to one year to allow him into Canada to test his business skills in the market place.

In some cases where business development involves a long term project, an extension for a second year will be considered. The progress of the entrepreneur's business activities will be monitored by provincial and immigration officials in Canada. When they are satisfied with development of the project, arrangements will be made for the applicant to collect immigrant visas either in Hong Kong or at another visa office that is mutually convenient.

There is no provision in Canadian law whereby a visitor or permit holder may adjust his status to permanent resident while in Canada. Applicants whose ventures do not lead to job creation will be required to leave Canada.

When put in the context of a family's planning for immigration, the processing period for business applications is not long. They are dealt with on a priority basis and most are finalized within three to seven months of the date the application is submitted.

Visas and permits issued to entreprenuers are valid for presentation for seven months from the date of the medical examination. Officials in Canada are routinely notified when cases are approved.

Some people confuse investment with immigration, believing that there are minimum financial requirements for approval. This simply is not so.

The emphasis is clearly on the applicant's business experience and the potential that his enterprise and investment hold in creating jobs for Canadians.

A good project offered by someone with no aptitude for business or with no related experience will not be considered in support of his application.

Another popular misconception is that a lawyer or consultant is necessary to the success of an application. With the accent on experience, it is obviously the track record and personal abilities of the applicant that will determine whether a case is accepted.

Professional assistance may occasionally be helpful in preparing business proposals, particularly in complex cases, but it is no substitute for careful personal research by a qualified entrepreneur.

This program is about people. Anyone with the necessary background and an idea for a viable business venture that will create jobs in Canada is encouraged to apply.

W.E. Sinclair is the Counsellor (Immigration) at the Commission for Canada.

COVER STORY

Pre-Immigration Tax Planning: Think Before You Make the Move.

By Philip Marcovici and Norris H.C. Yang

anada boasts a tax system considerably more complex than that of Hong Kong.

For the potential immigrant, the word "taxes" is second only to the word "winter" on his list of things to get used to. Like a down parka and a pair of sturdy boots, pre-immigration tax planning can achieve much in the way of easing an immigrant's entry into Canada.

The following review outlines Canada's tax system with an emphasis on techniques to minimize taxation resulting from such immigration. A note of caution: pre-immigration tax planning means planning before you go. Significant opportunities for tax minimization may be lost once the move to Canada is made.

Residents

An individual resident in Canada is subject to Canadian federal income tax on worldwide income. Taxable income is determined on a net basis.

The addition of provincial taxes generally results in a maximum overall tax rate of approximately 50 percent.

Gains from an adventure in the nature of trade are taxable at normal rates. Capital gains are accorded special treatment.

A "capital gain" is measured by deducting the adjusted cost of a capital asset from the proceeds received upon the disposition of the asset.

One-half of capital gains are included in a resident's income and one-half of capital

losses are deductible. Canada first imposed its capital gains tax in 1972. As a result, only appreciation after 1972 is taxed.

Whether an individual is considered resident in Canada for income tax purposes is a question of fact and is difficult to define with precision. The law emphasizes that the issue is to be determined upon the circumstances of each case.

Generally, moving to Canada and establishing permanent residence there would result in resident status for tax purposes.

Further, the Canadian Income Tax Act deems an individual resident in Canada throughout a taxation year if he sojourned in Canada in the year for 183 days or more.

Presence in Canada for less than 183 days in a year, however, does not establish nonresidence.

A corporation is considered resident in Canada for federal income tax purposes if its "central control and management" is in Canada.

Certain corporations, including those incorporated in Canada after April 26, 1965, are deemed to be resident in Canada.

In general, corporations are subject to tax at a combined federal and provincial rate of approximately 50 percent. Where a corporation carries on certain manufacturing and processing activities the combined tax rate is approximately 40 percent.

Subject top certain limitations, the first Cdn\$200,000 of active business income earned by a Canadian controlled private corporation is taxed at a special low rate of 25 percent. Where the corporation also carries on certain manufacturing and processing activities, the tax rate is reduced to 20 percent. Special provincial incentives may also apply.

Generally, a Canadian resident corporation pays tax on investment income at a rate of approximately 50 percent.

While a nonresident corporation is usually taxed only on Canadian source income, a Canadian resident shareholder may be taxed on undistributed offshore income earned by a nonresident corporation.

Generally, when a taxpayer becomes a resident of Canada, he is deemed to have acquired each property owned by him at a cost equal to its fair market value at that particular time (such property receives a "fresh-start" basis). As a result, a Canadian resident selling capital property is exempted from tax on appreciation which took place prior to residence being taken up in Canada. The corollary of this provision is that, subject to certain exceptions, when a resident of Canada gives up Canadian residence he is deemed to have disposed of all his property and must pay a "departure tax" on the appreciation of property during residence.

Non-residents

Generally, non-residents of Canada are subject to Canadian tax on taxable income earned in Canada. For a non-resident, taxable income earned in Canada is generally calculated as if the non-resident had no income other than income arising through employment in Canada, the carrying on of a business in Canada, or from the disposition of taxable Canadian property.

Non-residents of Canada are subject to capital gains tax only upon the disposition of "taxable Canadian property." Taxable Canadian property includes real property interests situated in Canada, certain shares

in Canadian corporations, and capital property used by a nonresident in carrying on a business in Canada.

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COVER STORY

Investment Incentives to Help Small Businesses

anadian and foreign firms are generally treated alike, and the same criteria used, when it comes to qualifying for federal and provincial investment incentives.

The incentives, which include cash grants and loan guarantees, are designed to attract manufacturing companies to areas of slow economic growth, increase employment, promote exports, substitute Canadian products for imports, conduct research and development and update plant and equipment.

At present the federal Government is reorganising the economics departments that play a major role in providing incentives.

The recently created Department of Regional Industrial Expansion (DRIE) will replace the departments of Regional Economic Expansion (DREE) and Industry, Trade, Commerce (ITC).

The new DRIE will administer the industrial and regional development program (IRDP) which was enacted by Parliament in the summer of 1983. IRDP combines a number of investment incentive programs that were administered by DREE and ITC, such as the enterprise development program and the regional development incentives program which offered loans and grants in designated slow-growth areas.

A key feature of the new program is that financial incentives to business will now be available in all areas of the country and will not be restricted to designated areas as some previous assistance programs were.

However, in recognition of the fact that certain areas are more in need of economic development than others (see charts) added incentives will be provided to companies in economically disadvantaged areas. IRDP will utilize grants, loans and loan guarantees to provide financial

assistance to business.

Each of the provinces offers a variety of incentives, including capital loans at concessional rates, grants, market surveys and job training funds.

The Quebec Industrial Development Corporation has a particularly generous package.

Special Measures

Although financial institutions in the private sector constitute the largest source of funds for business, situations exist where it is relatively difficult for medium-sized industries in Canada to obtain their requirements from such sources.

This is particularly true of projects of an industrial development nature requiring long-term financing. In some instances, industrial development or business expansion proposals require financial assistance of a type not readily available through the usual commercial channels.

The existence of these special financial needs has prompted the introduction of two seperate measures at federal level. These are incorporated in the Small Business Loans Act and the Federal Business Development Bank Act.

The SBLA provides a Federal Government guarantee on intermediate loans made to new and existing small business enterprises by chartered banks and other lenders designed by the Minister of the Department of Industry, Trade and Commerce.

A small business enterprise is defined as one whose estimated gross annual revenues do not exceed C\$1.5 million for the fiscal years for which the application is made. In the case of a new business, estimated gross revenue for the first fiscal year of business should not exceed \$1.5 million.

The loan amount a small business may have outstanding at any one time may not

exceed \$100,000 and the maximum period over which a loan can be repaid is 10 years with installments paid at least annually.

The interest rate on SBLA loans is set at one percent more than the prime lending rate of the chartered banks and fluctuates with changes in the prime lending rates for the duration of the loan.

Loans can be made to business enterprises engaged in, or to be engaged in, manufacturing, wholesale or retail trade, construction, transportation, communication and the provision of service.

Small business engaged in finance or the business of a profession and non-profit making organisations are not eligible for loans.

The FBDB assists in the establishment and development of business enterprises in Canada by proyiding them with financial and management services. It supplements such services available from other sources, and gives particular attention to the requirements of smaller enterprises.

It extends financial assistance to new and existing enterprises of almost any type that do not have other sources of financing available to them on reasonable terms and conditions.

There are two main qualifications for FBDB financing. The amount and character of investment in a business by persons other than FBDB may reasonably be expected to ensure the continuing commitment of these persons to the business and that the business may reasonably be expected to prove successful.

Financing is available by means of loans, loan guarantees, equity financing, leasing or by any combination of these methods in whatever manner best suits the particular needs of the business.

Where loans are involved, they are made at interest rates which are in line with those generally available to businesses. Security is usually a first charge on fixed assets.

Most of the customers of the bank use loans to acquire land, buildings and equipment although some use them to strengthen working capital or establish new businesses.

The loans are usually repaid by means of monthly installments of principal and interest, although other arrangements may be considered if the particular needs of the business make them appropriate. Most loans are repaid within 10 years.

The management services offered by the bank include counseling, training and information services.

The counseling service assists small businesses to improve their method of doing business and overcome problems. Management training service is provided to improve managerial performance and assistance is given on the availability of programs of assistance to small business sponsored by the Federal Government and other organisations through the information service.

COVER STORY

Franchising: To Buy or Not to Buy

By Albert Gadbois

A lthough modern franchising dates back to the post Civil War economy when the Singer Sewing Machine Company introduced an innovative manufacturer/retailer system, some writers will debate that franchising had its earliest roots in Queen Isabella's granting Christopher Columbus the exclusive right to discover trade routes to the east.

Origins notwithstanding, its impact on marketing was not, however, felt seriously until the advent of the automobile. Soon afterwards, petroleum companies and soft drink bottlers launched their corporate empires. In the food industry, Howard Johnson's and A & W Root Beer used the franchising format as early as the 1920s but widespread emulation was not realized until nearly 30 years later with the appearance of Kentucky Fried Chicken and later, McDonald's. The original group of franchises were of the traditional type (vertical franchising) existing mainly as an alternate distribution channel for manufacturers.

The franchisee was licensed within a set territory to sell the franchisor's manufactured product under a particular trade name or trademark. The latter group represents a new service-oriented type of franchising, generally referred to as business format franchise (horizontal franchising). In addition to the use of a trade name, standard methods for the successful operation of a retail until are prescribed.

Today, franchising can be found in all walks of life and, in both the U.S. and Canada, it accounts for over one-third of total retail sales. There are more than 2,000 known franchisors in the U.S. and 350 in Canada, the latter operating a total of about 20,000 points of sales. The traditional type of franchise, dominated by the automotive and gasoline industries, still represents nearly 80 per cent of total franchise retail sales.

However, business format franchises have experienced the major growth and have achieved the highest profile in recent years. Franchised restaurant chains are the most popular sector, capturing a 40 per cent share of total industry sales. For this reason, the article will focus on the business format franchise and attempt to explain why this type of franchise in particular has been so popular and successful.

Rapid expansion

The development and widespread ac-

ceptance of the business format franchise system is based on the premise that it offers advantages to both the franchisor and the franchisee. For the franchisor, it enables quick expansion by limiting capital requirements and manpower problems when compared to a chain store type of operation, as these are borne by the franchisee. In addition, it allows royalty collections on sales that might otherwise be lost to competitors if expansion didn't occur quickly enough.

For the franchisee, a franchise provides the opportunity to get into business without having to face all the risks inherent in starting from scratch even though skills or experience might be lacking. Start-up services, such as site selection and training will be provided along with a variety of continuing services that could not, in all likelihood, be afforded.

For this, an initial franchise fee and ongoing royalty based on a set percentage of sales will be paid. Could this type of arrangement represent the perfect business relationship where the position of each party is enhanced?

There is no definite method of measuring the success of franchising from the franchisee's point of view although it is widely accepted that the acquisition of a franchise reduces the risk of going into business. Industry representatives are quick to compare the failure rate of franchisees, estimated at 10 per cent, with statistics supplied by Dun & Bradstreet reporting a 60 per cent failure rate within the first five years of existence among new businesses. They go on to conclude that the purchase of a franchise better than doubles the chances of survival of a new venture.

This conclusion, however, is questionable.

Firstly, the reported number of failures among franchisees is not supplied by any independent source, but by the franchisors themselves who have different definitions of what constitutes a failure.

Secondly, many franchisors might take over a troubled outlet before it closes, thereby creating further distortion in reported statistics.

Thirdly, franchise holders, in most cases, have been screened by the franchisor.

Consequently, one can assume that only the ones showing better managerial abilities and financial strength would have been retained. Since incompetence and under-capitalization are recognized as being the most frequent causes of business failures, it is reasonable to conclude that the selected candidates would have experienced a lower than average failure rate, with or without a franchise.

Success and survival

Furthermore, is the rate of survival the only criteria for measuring business success? Obviously not!

The purchase of a franchise is an investment, and therefore should be subjected by the would-be entrepreneur to the same evaluation criteria as any other investment, namely return on investment (ROI).

In spite of the maxim claiming that if it is edible, drinkable, wearable or thinkable, it is franchisable, one must qualify this to include that a franchise can only be successful if the profit from the operation is large enough to be shared, as both the franchisor and the franchisee will be "nourished from the same pie".

The fundamental question remains whether the reduction of risk in the purchase of a franchise is worth the investment.

Although one cannot dispute the evidence that several fortunes have been made in franchising, it should be noted that the big money usually goes to those who dream up the idea in the first place. However, how many franchisees have been lured by such success stories in buying a franchise and for all practical purposes have been buying a dream?

As previously stated, it should be realized that a franchise opportunity is nothing more or nothing less than a business proposition and should be evaluated objectively by assessing both the costs and the benefits to be derived.

Because of the wide range in available franchises from the standpoint of costs and benefits, it is impossible to propose conclusions applicable to all. Consequently, it will be interesting to take a look at the two extremes of the franchise spectrum. Conclusions will apply in varying degrees, depending on the position of each individual franchise on this spectrum.

Few failures

The first type of franchise consists of the top tier franchises offering a widely recognized format proven successful over a period of time, in a variety of geographic areas. It provides the benefits of consumer acceptance, national advertising and exposure, and other benefits related to belonging to a large organization.

Although no franchise offers a guarantee of success, business failure with this type of franchise is generally very low as the franchisor maintains a high degree of control. Unfortunately, since at that point the franchisor is generally financially successful, the franchisees, in certain instances, tend to be considered a disposable entity and risk becoming so especially at renewal time. In addition, as the format

became popular, the franchise fee went up in price.

Coupled with the fact that most new franchises will be set up in secondary markets due to the proliferation of points of sales, therefore not only limiting the potential for revenues, but also opportunities for future growth, these factors will contribute to adversely affect the potential ROL.

It should be understood that the franchisor's interest is best served through the maximization of sales by each establishment as he collects sometimes up to 15 to 20 per cent of sales as rental, royalty and advertising revenues.

From the franchisee's standpoint, maximization of profit is obviously the predominant objective. This serious difference in objectives might result in a conflict as the franchisor is pressed into maintaining an established growth rate in earnings.

This conflict generally takes the form of retail price-setting pressure.

"The franchisees tend to be considered a disposable entity and risk becoming so especially at renewal time."

Although franchisors cannot legally control the product selling price of their franchisees, they have resorted to franchisor-owned point of sales to exercise this pressure; this is especially effective when franchisor-owned point of sales are scattered among franchised outlets. This is a major contributing factor to the increasing number of franchisor-owned point of sales, now reaching about 28 to 30 per cent of the total number of licenced establishments, with many franchisors aiming at a 50 per cent proportion.

These factors can directly and adversely affect the financial returns that can be derived from owning a high-profile franchise.

Greater ROI rewards

The other end of the spectrum is represented by the new developing franchise. This situation could lead to greater rewards in terms of ROI as it could involve the acquisition of a large territory, sometimes regional, along with other concessions from the franchisor, but it also represents a much higher risk than in the first instance in that it could literally result in the money of the franchisee being taken away.

An important element of this risk lies in the fact that the product or service tested and presumably found workable on a limited scale elsewhere, might not prove successful in the franchisee's particular market where consumer behaviour might be different. An illustration of this is the well-documented situation with tacos, the product having experienced a phenomenal acceptance rate in those states bordering Mexico but severe market resistance farther north. In addition, in such an instance, the franchisor has little at stake and consequently will show little involvement and supply limited assistance.

Since the would-be entrepreneur is primarily seeking to reduce risk when considering a franchise, under this situation, he could only expect to gain very few of the potential benefits of owning a franchise; consequently, this avenue should only be considered by the more aggressive would-be entrepreneurs.

A franchise does not constitute the perfect business arrangement unless an even balance of dependency exists between the parties. A would-be entrepreneur would therefore be well advised, in addition to searching for an attractive franchise, to consider the purchase of an existing enterprise as this could, from a risk level or on a ROI basis, prove to be an attractive alternative.

In addition to greater independence, the latter offers potential advantages over the acquisition of a franchise as it could, at the outset, result in a lower initial investment through the possible acquisition of fixed assets at a price below replacement costs and arrangement of advantageous financing in the form of a balance of sale at preferential interest rate from the vendor.

Secondly, a higher profitability could be experienced since there would be no payment of royalties and no territorial restrictions on the possibilities of expansion nor any time limits.

A third benefit could be the reduction of risk resulting from the possible appraisal of the acceptance by the local consumers of the product or service offered.

Consequently, the payment of any goodwill, which is effectively what a franchise fee represents, would be based on actual profits or potential and not solely on the franchisor's projections based on past performance of other points of sales whose situation might differ.

Furthermore, in most instances, the sought know-how will be available either through an existing organization or the retaining of the former owner for a period of time and finally, if the format of the acquired enterprise is successful, who knows, it might even be franchised!

This article has been reprinted with the permission of the Canadian Bankers Association. It originally appeared in the association's journal, the Canadian Banker. The author, Albert Gadbois, is professor of small business management at the University of Moncton, and is president of Moncton Consulting Services Limited.

Canadexpo: Largest Ever National Display in Hong Kong

By John Treleaven



Commissioner for Canada, Maurice D. Copithorne, in a press conference at the Furama Hotel, February 9, announced details of Canadexpo '84, a Canadian sponsored solo trade show to be held in Hong Kong May 16-20.

Mr. Copithorne said "With seven provinces and 77 companies already confirmed for the Show, Canadexpo '84 will be the largest national trade

show ever held in Hong Kong."

Canadexpo '84 is sponsored by the Canadian Department of External Affairs and features participation by Canadian companies from the following industry sectors: telecommunications, computer hardware and software, oil and gas equipment, food products, packaging machinery and consumer goods.

The Show will attract buyers from Hong Kong, the People's Republic of China and neighbouring countries in South East Asia. Canadian business interests in the Pacific Rim have expanded rapidly in recent years with Canada becoming both a significant market for exporter to and investor in the Region.

Canadexpo '84 is another of series of Government's initiatives aimed at increasing the presence of the Canadian exporters in the market of the Pacific Rim. Total trade between Canada and the nations of the Pacific Rim exceeded HK\$100 billion in 1983. In that same year, two way trade between Canada and Hong Kong exceeded HK\$5.5 billion.

Canadian companies are very active in Hong Kong's marketplace. Some 50 Canadian firms have branches and subsidiaries here, most of them dealing not only in Hong Kong but throughout South Asia and into People's Republic of China. Approximately 250 Canadian companies

are active in Hong Kong's market through agents and distributors. In 1983, 20 sales and marketing missions came to Hong Kong seeking 700 business visitors called on our Trade Commissioner for assistance in one form or another. We bring to Canadexpo '84 experienced Canadian exporters seeking to increase their share of one of the most dynamic markets in the world

Total trade with China in 1983 exceeded HK\$ billion. The recent visit to Canada by Premier Zhao Zi Yang has resulted in a number of initiatives by both Governments to strengthen existing economic and commercial ties. Contract for satellite earth stations which will involve coproduction in China and a foreign investment insurance agreement were signed during the visit.

Canada is a major supplier to the People's Republic of China of geographical, mining equipment and aircraft among other products. The sectors to be highlighted in Canadexpo '84 have been chosen with the China market in mind.

High-tech Products

About 15 to 20 of the companies taking part will be exhibiting high-tech products ranging from sophisticated microwave communications systems and computer software to the black boxes used for data switching.

Pre-registration and publicity mailing lists are being run on I.P. Sharp's time sharing service in Toronto through a micro-computer in the Canadian Commission. During the show this data base will be used to issue visitor badges and to allow quick matching of exhibitor and visitor information for later follow up.

Equipment being exhibited will mostly be "live" with voice and data communications being switched back to Canada. Mitel will provide an EPABX to give a telephone service in the exhibition hall while Novatel will display its cellular mobile radio telephone.

Telidon, Canada's pioneering videotex system will also be present, proving information about the exhibitors. It will also be possible to access Canadian data bases such as the Toronto Stock Exchange to get real-time stock quotations.

Computers will be represented by Bytec-Comterm, manufacturer of the popular IBM compatible portable, Hyperion. Computer monitors and a unique projection system which permits large displays of computer data and graphics will be displayed by Electrohome.

The show promises to be an exciting look into the future of electronics and communications. This is only a part of it, however, and Canadian capabilities in a variety of other fields will also be highlighted.

Information booths will be set up by the provinces. These will highlight the capabilities of companies that are not

participating in the show as well as economic conditions, tourism and investment opportunities.

Visiting Neighbours

It is expected that the show will attract visitors from China and neighbouring Southeast Asian countries and Canadian Trade Commissioners from all of the embassies in the region will attend the show. They will also spend two days in meetings with officials from the department of external affairs to discuss regional trade matters.

Canadaexpo '84, which is the biggest promotion Canada has ever undertaken in Hong Kong, is being supported by the Canadian Export Association, the Canadian Manufacturers Association of Hong Kong and, of course, the Canadian Business Association of Hong Kong. It is also being endorsed by the Hong Kong Trade Development Council, the Hong Kong General Chamber of Commerce, the Chinese General Chamber of Commerce, the Chinese Manufacturers Association and the Federation of Hong Kong Industries.

Hand in hand with the show will be various cultural promotions.

On May 1, a month-long show of Canadian Art entitled "Unconventional Photographic Images, will take place at the Alvin Gallery. On May 14, the Furama hotel will launch a two-week long promotion of Canadian food products in La Ronda Restaurant.

The Tsimshatsui branch of Shui Hing department store, in co-operation with the Canadian Club of Hong Kong, will sponsor a show of Canadian women's fashions and household products on May 15. From May 29 to 31, Les Grands Ballets Canadians will be performing at the Hong Kong City Hall.

Announcing Canadexpo '84 while visiting Hong Kong last May, the Minister of State for International Trade, the Honourable Gerald Regan said "Canada has a serious and long term interests in South East Asia and Hong Kong is key to our efforts in this area. Trade and investment between us is growing impressively even through difficult times but there is much more room for growth. Our joint efforts in this area are facilitied by the great "people links" which exist between us. I assure you that we intend to pursue vigorously trade and investment opportunities here and I would encourage you to do likewise in Canada."

John Treleaven is the Senior Trade Commissioner at the Commission for Canada.

Telidon: the World's Premier Videotex System

ften described as the symbol of Canada's participation in the information age Telidon, a videotex and teletext system, should be of particular interest to electronics and computer oriented Hong Kong.

Claimed by the Canadians to be the most advanced videotex system (a system which integrates a computer with a television set and permits two way communication) in the world, Telidon was developed using a different system of creating images than its international rivals.

In the early days of videotex, most systems built their graphics out of coloured squares. The pictures looked crude with curves and diagonal lines represented by a series of steps.

Telidon, however, uses a highly efficient coding scheme, the Picture Description Instruciton, which describe images in terms of basic geometric elements such as points, lines, arcs, rectangles, and polygons. Teledon terminals can handle non-Latin characters, ideographic symbols or cursive scripts as well as the widest range of videotex attributes such as colour, motion, overlays and display resolution.

Another advantage of Telidon is that from the outset it has been made with future compatibility in mind so that as new development take place in the computer and electronics industries the system can continue to be used and Telidon pages will not become outmoded with old and new equipment being used together.

While early models of competing systems can have their images upgraded with methods such as Dynamically Redefinable Character Sets, these require more data storage and longer transmission times than Telidon while still not producing as good results.

Telidon is designed to be independent of transmission media, television sets and data banks. Reception and transmission is possible with a wide variety of equipment and over many different carriers such as telephone, cable TV, optical fibres, broadcast television and, in the future, laser beams and radio. There are also

portable and stand alone systems for special uses.

Systems are available at a variety of prices and can be selected for specific uses and situations. Teledon is flexible enough to be used in all sorts of situations including armchair shopping, public displays sales seminars and the "Office of Tomorrow."

Designed to be user-friendly, the system is easy to operate and requires the minimum equipment. Although Telidon's alphageometric computer language is so advanced that it has a picture potential 10 times greater than any existing computer set, it is simple to learn and so is accessible not just to large businesses but to the small user with a simple message.

The Telidon system was not developed in isolation as for many years Canada has been a world leader in the fields of telecommunications having had to develop new, cost-effective systems to enable Canadians to communicate across vast open spaces.

A proliferation of high-technology companies developed, many of them now

internationally famous, and once the limited domestic demand had been fulfilled they started looking further afield and developing systems with a broader international appeal — Telidon being the most successful to date although it was primarily developed by Government scientists backed by government funds.

Other high-technology breakthroughs could be on the way as the government of Ontario — Canada's major centre of manufacturing — has thrown its weight, and a considerable amount of money, into research and development of new tools for the electronic age.

A special programme has been set up by Ontario's Board of Industrial Leadership and Development (BILD) involving a network of technology centres designed to nurture specialized technology industries in a number of urban centres. Projects include a robotics centre in Petersborough, a computer-aided design and manufacturing center in Cambridge, a food processing plant in Chatham, a microelectronics centre in Ottawa and a resource machinery centre in Sudbury.



The Telidon system in action.

FEATURES

Canadian Tourism Promotion: Hong Kong

he trend continues......more residents from Hong Kong and ASEAN are visiting Canada each year. In 1983, over 95,000 visitors from this region travelled in Canada, an 8 percent increase over last year. In fact this region produces more visitors to Canada than the Netherlands, Australia and Mexico. A further 10 percent increase in visitors is forecasted in 1984.

One of the marketing programs to be implemented in the region to assist in realizing this forecast is the execution of the largest Canadian tourism promotion ever held in Hong Kong which will take place at the Furama Hotel, June 12-13, 1984.

In co-operation with Cathay Pacific Airways and Canadian Pacific Airlines, approximately 100 senior travel representatives from ASEAN, 50 from Hong Kong and 50 from Canada will meet at a seminar and trade show to discuss the future marketing of visitors from this region to Canada.

For further information on participating in this promotion, contact Arthur Fraser, Trade Commissioner (Tourism), Commission for Canada.

Novatel: Canada's Cellular Phone Company



Although Novatel has become a well known company in Canada in a short space of time, and its Aurora decentralised cellular telephone system made a big impact in the telecommunications industry there, both company and product are relatively unknown in Hong Kong.

This situation will shortly change, however, according to the company vice president in charge of sales, Peter Kawchak,

who visited a number of Asian cities, including Hong Kong, last month.

Referring to mobile cellular communications systems as "the most exciting breakthrough in telecommunications technology for more than a century," Kawchak predicted that this type of system would be constructed in "almost every Asian country in the next 10 years, dramatically extending the social and economic cords of simple everyday life."

Novatel, a joint-venture company owned by AGT and Alberta company Nova, was established to develop an entirely new type of mobile communications system for Alberta. The provincial Government has long operated the world's largest mobile telephone network—catering to a population of only two million people in an area of more than 250,000 square miles.

Once the network became overtaxed in the mid-1970s, it was decided that rather than upgrading a system tied to old technology, a system would be developed combining the advantages of state-of-theart computer technology with the most effective utilisation of an existing land phone network.

By doing away with central switches, the resulting parallel networks, and the need for backhauling, it is claimed that the Aurora system can save up to 40% on installation and 60% on operating costs.

The central switch is eliminated because each cell in the Aurora system routes all voice traffic to the nearest telephone exchange. Thus, the system uses the



Jim Green, left, the president of Novatel demonstrates an Aurora phone as AGT vice president Hal Neldner looks on.

existing telephone network, and its switches, to the fullest extent possible.

Being modular and decentralised in design, Aurora is as economical and efficient in rural situations as it is in an urban environment. With minimum software modifications, it adapts to small, medium or large capacity operations. It allows easy expansion of a system without costly replacement of hardware.

The telephone themselves are unique in that they can be used with both cellular and non-cellular systems. Unlike other car telephones, they do not have do be fixed in and used in a car. Nor do they have to be connected to phone lines like conventional home or office phones.

In countries where delivery and installation of a telephone can take months, they are a great advantage as a cellular phone can be bought and used on the same day. Pricewise, however, they are expensive and out of reach of most household budgets but as production technology improves and the phones are mass produced the price is almost certain to drop dramatically.

Features which make Aurora more versatile than conventional phones include a memory which can store 20 numbers of

16 digits each, a LED display panel and last number recall for visual display and automatic redial. There is a scratchpad memory for number entry and retention during conversation and a choice of ringing options. An out of range indicator shows when the phone is too far from a satellite mobile centre to be used.

A major breakthrough for Novatel came in mid-December last year when Canadian Communications Minister Francis Fox awarded the company the world's first national cellular mobile telephone license. Novatel president James Green said at the time that mobile cellular telephone communications is a technology whose time has come and the award of a national cellular license in Canada makes it the model for similar applications in other countries the world over.

The world market for cellular communications has been estimated at \$10 billion by 1990, and Mr. Green said that the export potential for Novatel is "almost breathtaking." In Canada alone, CANTEL and the major telephone companies will invest up to \$500 million establishing the national services and an additional \$300 million will be spent by

users of the system for equipment.

On the Asian front, Kawchak said that Japan, Korea, Hong Kong, Taiwan, Singapore, Indonesia and Malaysia will be the first countries to introduce the new telephone systems. "These countries have already, or are in the process of making firm commitments on which route to take in introducing cellular technology," he said.

The company has already licensed Hyundai Electronics Industries of Korea to manufacture and distribute the telephones in that country, and are looking for similar arrangements with other manufacturers in the region.

Novatel is one of several companies competing to sell cellular communications technology and equipment in the region with its major rivals being Motorola Inc of the United States, NEC Corporation and Oki Electric Industry Company of Japan, and L.M. Ericsson of Sweden.

COMPANIES

Mass Transit Experts Set up Shop in Hong Kong

etro Canada International Limited (MCIL), the Far East sales and marketing subsidiary of Ontario's Urban Transportation Development Corporation

(UTDC) has recently opened an office in Hong Kong and focus its efforts from the centre of its market place.

MCIL's general manager, Paul Ruefli, who will be based in Hong Kong at Suite 1301, Tower I, Admiralty Centre, predicts growing Canadian involvement in vital Far Eastern infrastructure development through MCIL and UTDC's participation in transit projects.

Present growth forecasts for populations and cities in Hong Kong and throughout the region predict increasing needs for modern inter and intra city mass transit systems.

Recent Hong Kong interest in developing the Tuen Mun Yuen Long light rail transit system underscores these predictions.

The corporation started in the early 1970s when it became readily apparent that the methods for moving people into and around major cities were outdated. Roads and expressways were becoming too congested. Private and commercial traffic was subject to costly delays on major traffic arteries.

The Ontario government responded in 1972 with a new urban transportation policy, and in typical pioneering spirit launched the Urban Transportation Development Corporation the following year as the catalyst to develop and implement innovative and economic forms of public transport.

UTDC grew out of a need. It has thrived through its achievements.

Advanced Systems

The corporation designs, develops, manufactures and operates the most advanced mass transit systems available today. As a result of its steadfast insistence on research and development carried out by the most knowledgeable transit people in the world, UTDC has grown and diversified into the marketing and delivery of its systems and expertise both domestically and internationally.

With its manufacturing capability for light and heavy rail, as well as for advanced light rapid transit, supported by a comprehensive testing program at the corporate

proving grounds, UTDC products are market ready for revenue service by the time they are delivered.

The product line is extensive, including the turnkey supply of advanced light rapid transit systems with the flexibility to meet a variety of needs and the adaptability to operate in any location.

In Vancouver, UTDC is installing a fully automatic, 22 km system that will provide the backbone of the B.C. Transit system.

In Detroit, Michigan, it is contracted to build and operate a fully automatic, elevated peoplemover that will circulate in the downtown core.

In Scarborough, it is supplying a modified ALRT vehicle for a 7 km rapid transit link between the commercial heart of the city of Scarborough and the city of Toronto.

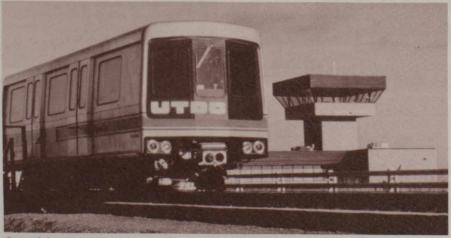
Rolling stock lineup also includes the Canadian Light Rail Vehicle with more than ten million miles of proven revenue service, its derivative the Articulated Light Rail Vehicle and steerable axle trucks.

The recent acquisition of the Canadian Car Division of Hawker-Siddeley Canada Inc. has provided manufacturing capabilities for single and bi-level commuter and inter city rail cars, subway cars and light rail vehicles as well.

In addition to hardware UTDC offers the entire gamut of system support such as management, operations, maintenance and financial services.

REGION

Asia Pacific Foundation of Canada Established



One of the modern trains manufactured by UTDC.

亞太區

Canada is moving to strengthen its position as a Pacific nation. In addition to the many Pacific oriented programs that are now being undertaken, the Government of Canada has announced that it will facilitate the establishment of the Asia Pacific Foundation of Canada.

The objectives of the new Foundation will be to advance knowledge and understanding and to promote respect and trust amongst the peoples and institutions of Canada and the Asia Pacific region towards their cultural, social and economic enrichment.

When fully operational, the foundation will function as a co-ordinating and resource centre, providing information on the many Canadian activities related to the Asia Pacific region. The foundation will also serve as a forum for creating new ideas, programs, and long-term strategies for Canada's role in the Asia Pacific region.

Sponsoring Activities

When its base of funding is established, the foundation will sponsor or facilitate a wide range of activities in the fields of culture, business and public affairs, such as:

An information network through which Canadians involved in the Asia Pacific region can contact and assist each other.

Asian language training centres to assist business people and others to become more effective in their work in the region.

Exchange and education programs for journalists, publishers, producers, and directors to encourage more and better coverage of Asian events in Canadian media and vice versa.

A forum for the private and public sectors to hold seminars and other programs concerned with Canada's future policy directions in the Asia Pacific region.

Seminars and information programs about Asian cultures, customs and economics.

Programs in Asia Pacific countries to encourage neighbours to learn more about Canada.

Assistance with research conducted independently by businesses, universities and others.

Scholarships, travel grants and other special programs for students and teachers to ensure that Canada's next generation can broaden the nation's activities in the Asia Pacific region.

Academic, business and cultural ex-

change programs to encourage the interchange essential for lasting economic and political relations between Canada and its natural partners in Asia and the Pacific.

"Foundation will function as a co-ordinating and resource centre, providing information on Canadian activities related to the Asia Pacific region."

The concept of the Asia Pacific Foundation of Canada evolved out of the enthusiasm generated at the first Pacific Rim Opportunities Conference, held in Vancouver in 1980.

Following this event, the Government of Canada asked John Bruk — then president of Cyprus Anvil Mining Corporation — to study the feasibility of establishing an institution to promote Canada's interests in Asia and the Pacific. His report documented widespread interest throughout the country, and in March of 1983, a Founding Committee was appointed.

The Founding Committee's immediate objectives are to define the foundation's role, to set up the foundations's operating framework and to secure a broad base of funding. The response has been encouraging, with support coming from a cross-section of corporations and institutions, as well as for the federal and provincial governments.

For more information, please contact: COLIN HANSEN, Founding Committee, Asia Pacific Foundation of Canada, Suite 404 — 355 Burrard Street, Vancouver, B.C. V6C2G8, Telephone: (604) 684-5986.

Guinea, Brunei and the South Pacific Islands); the five "newly industrializing countries" or NICs (Mexico, Singapore, Hong Kong, Taiwan and South Korea) and the People's Republic of China.

Despite their geographical linkages and some important cultural similarities, the Asia-Pacific countries are not a homogeneous group. There are vast differences in their respective levels of development, resource endowments and economic strategies.

On the one hand, there are the four NICs — Hong Kong, Singapore, Taiwan and South Korea. Despite their lack of natural resources, they have each used their access to standard technology and their abundant supply of labour to become major international competitors in a wide spectrum of manufactured products.

Moreover, they have achieved such phenomenal export-led growth that they are now, sometimes to their annoyance, variously referred to as the "Gang of Four," the "super-competitors" and the "new Japans." By 1979, close to 80 percent of their total exports were manufactures, and their total share of world manufactured exports had increased to 5 percent from only 2 percent in 1970.

On top of this performance, the region's two "city-states", Hong Kong and Singapore, have also become major international trade and financial centres in their own right.

Unlike the NICs, Thailand, Indonesia, Malaysia and the Philippines are relatively well-endowed with natural resources and, hence, hold a somewhat different position vis-a-vis the international economy.

As major international suppliers of palm oil, natural rubber, tin, hardwood, nickel, oil and natural gas, commodity trade dominates their export patterns.

However, these countries have become known as the "near-NICs," or the second tier of newly industrializing countries, on the basis of their increasing importance as producers of light manufactures. Throughout most of the period following World War II, the developing countries of the Asia-Pacific region did not figure prominently in Canada's foreign economic policy.

Changing Priorities

Canada's peace and security approach to the region was altered somewhat during the late 1960s and early 1970s as economic issues and interests became more prominent in Canadian foreign policy.

In recent years, as the Pacific has taken on growing importance in the global economy — and the Western provinces have acquired more economic power in Canada — more weight has been given to the Pacific countries in Canada's external relations.

Realizing the potential benefits of expanded Pacific links, many provinces, businesses and interests in Canada have been

REGION

Growing Canadian Trade With Asian Pacific Rim Countries

Perhaps the only common denominator to be found in the Pacific community is the Pacific Ocean itself.

Unlike other regional groupings, it includes countries from different continents, hemispheres and levels of economic development.

In the broadest sense, the Pacific

community consists of five industrialized countries (Canada, the United States, Japan, Australia and New Zealand); several Latin American developing countries (Chile, Peru, Ecuador, Colombia and the Central American states); the Asian developing countries (Thailand, Malaysia, Indonesia, the Philippines, Papua New

watching and participating in discussions concerning "Pacific cooperation."

Many Canadians feel that Canada could reap significant benefits from being a part of any regional initiative in the Pacific. However, considering the primacy of Canada's economic ties with the United States, it is unlikely that Canada would enter into a regional cooperation venture that excluded American participation.

Government representatives have also been careful to stress that Canada's interest in regional cooperation in the Pacific does not contradict Canada's commitment to the existing multilateral system. Rather, regionalism is viewed as a complementary aspect of multilateralism, and thus any regional initiatives would be governed by existing multilateral rules and objectives.

New-found Interest

Canada's new-found interest in the Pacific region can also be attributed to the growing realization that international economic activity has been slowly shifting from the Atlantic to the Pacific. While Japan, as the obvious force behind this shift, is the primary focus of Canada's interest in the Asia-Pacific, it is quite evident that the region's developing countries are also becoming more important economic actors.

All eight Asia-Pacific developing countries recorded higher real GDP growth rates during the 1970s than the industrial countries in general and Canada specifically.

In addition, these countries also posted much more impressive trade growth than Canada and two of its largest trading partners, the United States and Japan.

Despite this economic record and Canada's professed interest in the Asia-Pacific, Canada's trade with these countries is minimal when compared with American and Japanese involvement in the region.

Only 2.3 percent of Canada's total trade in 1981 involved the eight Asia-Pacific countries compared with 10.6 percent for the United States and 19.9 percent for Japan. Similarly, only 1.2 percent of the Asia-Pacific developing countries' total trade was with Canada, while 20.0 and 22.0 percent of their trade involved the United States and Japan respectively.

Generally speaking, Canadians have found it extremely difficult to alter their traditional trading patterns and diversify their economic relations. The reasons usually cited to explain this situation centre around the pervasive influence of continental integration and the overwhelming reliance of Canadian exporters on the American market.

Understandably, the American market is closer and allows Canadian exporters to avoid the cultural and language barriers they face in markets such as those found in the Asia-Pacific. However, more and more Canadians — in both the private and public sectors — are seeing a need to turn their attention toward the more dynamic economies of the developing world in general, and the Asia-Pacific in particular.

Trade growing

Canada's evolving trade relations with Hong Kong, South Korea, Taiwan and the five ASEAN countries varies, as one would expect, with their respective levels of economic development and factor endowments.

As the table demonstrates, there is a wide variation in both the composition and volume of goods traded between Canada and these eight countries. However, four main trends are evident.

First, Canada's export strength continues to emanate from the resource sector of its economy. This is especially true in the case of Canada's exports to the so-called "Gang of Four," but it also holds, to a certain extent, for the four near-NICs.

Because Hong Kong, Taiwan, South Korea and Singapore share with Japan the situation of being resource-poor, they have similarly concentrated on importing raw and semi-processed materials from resource-rich countries and exporting primarily end-products.

Since Canada is well-endowed with many of the natural resources that these NICs require, Canada's major exports include wood pulp and paper products, coal, fertilizer and a variety of minerals. Resource-related products are also important in Canada's exports to the four near-NICs, although they figure somewhat less prominently because they too have abundant resource endowments.

Secondly, the developing countries of the Asia-Pacific hold considerable export promise for Canada's services, manufacturing and capital goods sectors.

For example, these nations are in need of basic infrastructure such as communications and transportation networks and power-generating capacity — all areas in which Canadian engineers and contractors have proven experience and technological capability.

Furthermore, because Canada shares with Malaysia, Indonesia, Thailand and the Philippines similar resource endowments, there is a large export potential for Canada's energy, mining, agriculture and forestry industries as well—not necessarily in the resources themselves but, rather, in the equipment and expertise needed to develop them.

Thus, the potential exists for Canada to take advantage of its international competitiveness in a variety of capital-and technology-intensive manufacturing sectors as well as in the resource sectors mentioned above.

Thirdly, it is quite clear that the import challenges posed by the eight Asia-Pacific countries are real. The growth in the percentage share of Canada's manufactured imports coming from the export-oriented and ASEAN groups outpaced that of all other groups between 1970 and 1980. By far the greatest challenge is posed by the export-oriented NICs.

Between 1970 and 1980, this group more than doubled its share of the Canadian import market. Canada's manufactured imports from ASEAN are not as large in volume terms as those from the NICs, although the growth in its share of Canada's market for manufactured imports expanded at rates comparable to those achieved by the NICs.

"Many Canadians feel that Canada could reap significant benefits from being a part of any regional initiative in the Pacific."

A closer look at the composition of Canada's imports from the Asia-Pacific developing countries indicates which Canadian industries are most vulnerable to import competition.

Clothing and, to a lesser extent, textile products are among the leading items of Canadian imports from all of these countries, with Hong Kong, South Korea and Taiwan being the three largest overall sources of total Canadian clothing imports.

Although the value of Canada's imports of clothing and textile items from the other countries is considerably smaller than the value of those from the three main suppliers, these items nonetheless remain important in their total exports to Canada.

Taiwan and South Korea dominate Canada's Asia-Pacific sources of footwear, accounting for 11 percent of Canada's imports from the former, and 10 percent of its imports from the latter.

It is important to note that while clothing, textile and footwear products are still the NICs' major export items, they have also used their abundant labour supply and access to standard technology to become major assembly areas for a variety of transnational electronics firms. Accordingly, office machines, electronic goods and telecommunications equipment also figure quite prominently in their exports to Canada.

Finally, one aspect of Canada's trade relationship with the Asia-Pacific countries which should not be overlooked concerns the general efficiency and welfare gains associated with international trade.

For example, besides providing valuable markets for Canadian exporters, imports from these countries provide an important efficiency stimulus in the domestic market and considerable cost savings for Canadian consumers and Canadian industries that rely on imported inputs.

OPPORTUNITIES

Canadian Products available for Hong Kong

Seatron International Inc.

P.O. Box 441, Station "A" Hamilton, Ontario Canada L8N 3H8 (Telex: 061-8673 FELL-FAB HAM)

(President: Lucia Hung (Mrs.))

Canadian Dryer Bulk Shipping & Storage Systems

Pioneer Chainsaws

Division of Euroclean Canada Inc. 775, Neal Drive Peterborough, Ontario Canada K9J 6X7 (Telex: 06-962914) (*President:*

Mr. Charles H. Bristoll)

Bicycle Motor

Delco Industries Ltd.

Box 94441, Richmond B.C. Canada V6Y 2A8

Elevator & Escalator Replacement Parts

Ministry of Economic Development

Government of Alberta 11/F., Pacific Plaza 10909 Jasper Ave. Edmonton, Alberta T5J 3M8 (Telex: 037-2197) (*Director:*

Mr. G.G. (Gerry) Wolf

Energy Bus

Slacan

Division of Slater Steel Industries Ltd. 681 King St. West, Hamilton Ontario, Canada L8N 3E7 (Telex: 061-8342)

Pole Line Hardware

Unilight Ltd.

4999 St. Catherine St. W. Suite 100, Sec. 1-G, Chateau Maisonneuve Bldg. Montreal, P.Q. Canada H3Z 1T3 (Telex: 055-66310) (*President:*

Mr. Jerry J. Hruby-Holy)

Incandescent Lighting Fixtures & Chandeliers

Centaur Manufacturing Co. Ltd.

57 Newkirk Road Richmond Hill, Ontario Canada L4C 3G4 (Mr. H. Donald Hamilton, P.Eng.)

"CENTI-SPARK" Capacitive Discharge Electronic Ignition

Thetford Sanitation Ltd.

7686 Bath Road, Mississauga Ontario L4T 1L2, Canada (*General Manager:* Mr. P.G. Simmons)

Toilets

Sarama Luminaire

10700 Boul. Parkway Ville D'anjou, Quebec H1J 1R6, Canada (Telex: 05-829645) (*President:* Mr. Edward Lenkov)

The decorative and track lighting fixtures

Safety Supply Canada

214 King St. East Toronto, Ontario, M5A 1J8 Canada

Safety Equipment

Inter City Papers Ltd.

560 Hensall Circle
Postal Box 3050, Mississauga
Ontario, L5A 3S7, Canada
(Telex: 06-961162)
(Distribution Manager:
Mr. A. Andrew)

Paper rolls for telex/ printing machines and office copiers etc.

Universal Paper Export Co. Ltd.

1198 Mountain St.
Montreal, P.Q.,
H3G 1Z1, Canada
(Telex: 055-61477)
(General Manager:
Mr. Homero Saavedra)

Papers, paper/foam cups and containers

Conference Cup Co. Ltd.

94 Bessemer Court London, Ontario N6E 1K7 Canada (*Marketing Re. (Far East):* Mr. Michael Goh)

Disposable Cups

Sanitation Equipment Ltd.

1081 Alness St.
Downsview, Ontario
M3J 2J1, Canada
(Telex: 06-22888)
(President & General Manager:
Mr. S.J. Baer)

Toilets

Canada Wire and Cable Ltd. Ruwaca Rudolf van der

250 Ferrand Dr. Don Mills, Ontario Canada M3C 3J4 (Telex: 065-24120) (Mr. Richard Voigt)

Submarine Power & Telecommunication Cables

Rudolf Van Der Walde (1975) Ltd.

4920 De Maisonneuve Blvd. West, Suite 404, Montreal, Quebec, Canada H3Z 1N1

Microwave cookware

Deltarex Canada Inc.

79 West St. S. Orillia, Ontario L3V 5G5, Canada (Telex: 06-875606) (*Sales Director:* Mr. G.R. Moreau)

Commercial Cooking Equipment

Crown Cork & Seal Canada Inc.

7900 Keele St., Concord Ontario, L4K 1B6 Canada (Telex: 069-64519) (V.P. Sales: Mr. K. Doyle)

Aerosol Cans & Tin Cans

Dominion Al-Chrome Corp. Ltd.

54, Carnforth Road Toronto, Ontario M4A 2K7, Canada (*Sales Manager:* Mr. F.H. Jones)

Aerosol Cans & Tin Cans

Montebello Metal Inc.

1036 Aberdeen St. P.O. Box 339 Hawkesbury, Ontario K6A 2S3, Canada (*President & G.M.:* Mr. J.P. Cody)

Aerosol Cans & Tin Cans

Vulcan Industrial Packaging Ltd.

3300 Bloor St. W., Suite 550 Toronto, Ontario M8X 2X2 Canada (Telex: 06-984713)

(Telex: 06-984713) (V.P. Sales: Mr. R.G. Mcniff)

Aerosol Cans & Tin Cans

Ruwaca Rudolf van der Walde (1975) Ltd.

1084 Church Avenue, Montreal P.Q., Canada H4G 2N6 (Telex: 055-60976) (Sales Manager: Mr. David van der Walde)

Iron Wire & Steel Wire

Inglis Ltd.

Administration Centre 1901 Minnesota Court Mississauga, Ontario L5N 3A7, Canada (*Manager International Sales:* Mr. L.F. Lee)

Electrical Appliances

Creative Appliance Corp. Ltd.

250 Norfinch Drive Downsview, Ontario M3N 1Y4, Canada (*Regional Representative:* Mr. Jim Collins)

Electrical Appliances

Canadian Products for HK Export Enquiries (CDN)

Produit De L'est,

167 Rue St-Louis, Rimouski, Quebec, Canada. G5L 5R2 Attn: Mr. Denis Tremblay

Jams; preserved honey; maple syrup; knitting wool

Ajko International Inc.,

2720 Pl. Joseph Casavant, Montreal, Quebec, Canada. H3M 1W2 Attn: Mr. Bensch, Vice President

Bakery products

The Bibleopolist,

Box 6374, Stn. F., Hamilton, Ontario, Canada. L9C 6L9 Attn: Mr. Robert C. Buckie

Books

OPPORTUNITIES

Bovisa International Trading Co. Ltd.,

P.O. Box 159, Pieriefonds, Quebec, Canada. H9H 4K9 Attn: Mr. Natalie Woo

Food products and housewares

30 Duncan St., 4th Floor, Toronto, Ontario, Canada, M5V 2C3 Attn: Ms. Estelle Singer

Wet suits

Cygnet Sporting Goods Ltd.,

1181 Newmarket St., Ottawa, Ontario, Canada, K1B 3V1 Attn: Mr. John Cheng, President

golf racquet; golf clubs

MWM Dexter Canada Inc.,

P.O. Box 446. 111 William St., Cornwall, Ontario, Canada, K6H 5T2 Attn: Mr. Ed. Weiss

Post cards; scenic calendars

Grovecourt Trading Co. Ltd., HK products

500 Duplex Ave., Suite 2306, Toronto, Ontario, Canada. M4R 1V6 Attn: Mr. Carl Martin-Harris. President

U.H.T. milk (partly skimmed milk); juices; drinks

Specialty Contact Lens,

Suite No. 1. 213-19th St., N.W. Calgary, Alberta, Canada. T2N 2H9 Attn: Mr. William L. Strum, Director of Marketing

Contact lens

Pacific Lobster King.

721 West 14th St., North Vancouver, B.C., Canada. V7M 3E8 Attn: Mr. David Reid

Robert C. Smollet.

1273 Northside Rd., Burlington, Ontario, Canada. L7N 1H8 Attn: Mr. Robert Smollet

Aluminium kitchen wares products

Volume Sales (A Division of Eagle Transport Ltd.),

agricultural products Suite 198, Airway Centre, 5945 Airport Road. Mississauga, Ontario, Canada. L4V 1R9 Attn: Mr. Benson Smith, Export Manager

Chemicals; furniture; agricultural products

Klassen Bronze Ltd.,

73 Hincks St., New Hamburg, Ontario, Canada. NOB 2GO Attn: Mrs. J. Schaaf, Executive Secretary

Letters & numbers, signs, key fobs

Guy Beauchesue,

4454 Ave., D'Orleans, Montreal, Quebec. Canada. H1X 2K2 Attn: Mr. Guy Beauchesue, Proprietor

wanted for Canada

Tuberform Ltd...

1496 Church Avenue, Winnipeg, Manitoba, Canada. R2X 1G4 Tel: 204-633-4219 Attn: Mr. Ed Yuzak

Bolt & nut

Vereshack Agencies Registered.

1850 Matena Ave., Mississauga, Ontario, Canada. L5J 1G3 Tel: 416-822-7875 Attn: Mr. John Vereshack

Shoes; gloves; handbags; garments; small leather goods

Seatron International Inc.,

P.O. Box 441. Station 'A', Hamilton, Ontario, Canada. L8N 3H8 Attn: Mrs. Lucia Hung President

Frabrics for bedsheets, twill lining cloth, T/C gabardine cloth, cotton cloth

Climis Exports Inc.,

Suite 205, 90 Morgan, Baie D'urfe, Quebec, Canada. Attn: Mr. Charles P. Robert

Video tape

F J Jewellers Ltd.,

P.O. Box 2140, Humboldt, Sask., Canada. SOK 2AO Tel: 306-682-5222 Attn: Mr. Frank Friesen, President

Diamond & stone

Novopharm Ltd.,

1290 Ellesmere Road, Scarborough, Ontario, Canada, M1P 2Y1 Tel: 416-291-8876 Director of Marketing Mrs. Brenda A. Drinkwalter, Pharmaceutical Products

Abby Management Ltd..

7424-182 St., Edmonton, Alberta, Canada. T5T 2G7 Tel: 403-488-8346 Attn: Mr. Steve Segal

Gifts and novelties

Speight Sales & Marketing,

32 Hoover Place S.W., Calgary, Alberta, Canada. T2V 3G4 Attn: Mr. J.R. Speight, President

Consumer products as opposed to equipment

Jarlex Inc.,

P.O. Box 861, Dartmouth, Nova Scotia, Canada. B2Y 3Z5 Attn: Mr. John T. Finlay Crafts; floral

Balfour Guthrie & Company, Flag nylon

56 Aberfoyle Crescent, Toronto, Ontario, Canada. M8X 2W4 Attn: Ms. Shirley Sinclair

Medicinal herbs

RPS Electronics.

4480 Cote de Liesse Road. Suite 101, Montreal, P.Q. Canada. H4N 2R1 Attn: Mr. Robert M. Shereck

circuit; transistor; diode

A. Holliday and Co. Inc.,

299 Queen W., Toronto, Canada.

Tea (black)

Mr. Denis Couillard,

St-Martin, Beauce, C.P. 32, Quebec, Canada. GOM IBO

Watches, watch movements & parts etc.

Sports International Inc.,

502 Laidlaw Blvd., Winnipeg, Manitoba, Canada. R3P OK9 Attn: Mr. E. Yuzak, President

Sporting goods and garments

Giro Promotions.

313 Kennebec. Dollard Des Ormeaux, Quebec, Canada, H9G 2S8 Tel: 514-620-2897 Attn: Mr. Gisele Prive. Vice President

Electronic equipment

ATG Marketing,

P.O. Box 1823, Stn. C, Kitchener, Ontario, Canada. N2E 4R3 Tel: 519-744-3419 Attn: Mr. Adam Gagnon, President

General merchandise

Montreal Fasteners/ Comptronitech,

7489 Trans Canada Hwy, Ville St. Laurent, Quebec, Canada, H4T 1T3 Tel: 514-337-7330

Computers; electronics

Fleming Decal & Sign Ltd.,

1755 West 4th Ave., Vancouver, B.C., Canada.

Mr. J. Chappell,

Box 344, Port Elgin, Ontario, Canada. NOH 2CO

Clothing; toys; general goods

MILLS J.B. (BARRY) H-258211 Richardsons Greenshields

MCKEAN M.H. (MICHAEL) H-8912209 Johnson & Johnson

YEE KIN K-687285/6 Mido Silk Co. Ltd.

MORAN I. (ILDI) K-7234833 Nova Palm Marketing

HENDERSON J.R. (JOHN) K-7214286 Ernst & Whinney

FIRESTONE J. (JEFFREY) H-200022 Matimak Trading Co. Ltd.

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BRUCE, I.F. (IAIN) H-226022 Peat Marwick Mitchell & Co.

PICKLES, J.C. (JAMES)

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CLEAVE J.H. (604) 683-5811 Hongkong Bank of Canada

GLYNN, M.J.G. (604) 683-5811 Hongkong Bank of Canada

Davies (Frank) H-8306282 World Corporate Trade

.....

HIGGINS P.S. (PAUL) H-222111 Price Waterhouse Asia

Price Waterhouse Asia

H-255361 W.I. Carr, Sons & Co.

HUNG B.H.C.

CHIU T.C. (DAVID) H-415921 Far East Consortium Ltd.

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Yu, P.C. (ALBERT) H-775174 Peninsula Engineering

Wu, Rong Ju K-886298 Winggull Enterprises Ltd.

THOMAS, H. (HUGH) H-2676704 BA Asia Ltd.

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Dunn (Lawrence) K-642391 WTC Air Freight (HK) Ltd.

LEE (BENSON) H-444088 Hong Kong Industrial & Commercial

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Hongkong Industrial & Commercial

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Ko Miss (Angie) H-541234 Stylette Gmt Fty Ltd.

LUK YU MING (JOE) K-887073-5

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CHEN L.T. (L.T.) H-433707 H-431919 Persis Enterprises Ltd.

SZE J.T.W. (JOHN) H-718331

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WONG R.K.L. (RAYMOND) H-551488

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TANG DR. (PHILIP) H-7955288

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NG BING SUN (BENSON)

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HK\$250.00

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N. Benson International Ltd.

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CHILDE (PERCY) K-678145 K-696619 Solitronics Eng Ltd.

LEE Y.S. (Y.S.) K-930210 Super Enterprises

CANAN (JOHN) H-222111 Price Waterhouse

LAU A.P.K. (ALBERT)

K-416624

Sui On Industrial Co. Ltd.

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H-215331

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H-211633

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TWO MILLION NAMES FROM INFO GLOBE

Over two million important business names, from four data bases, are now available through Info Globe, the online information division of Toronto's The Globa and Mail. The data bases maintained by Canada Systems Group, are: Corporate names, with summary information on over 2 million federal and provincial incorporations and business names; Canadian Federal Corporations and Directors, with information on federally incorporated companies; Inter-Corporate Ownership; and Trade Marks, with information on over 200,000 registered and pending trade marks.

TWINNING OF TWO PROVINCES

A formal agreement establishing direct cultural, economic and technological exchange links between Saskatchewan and the Chinese province of Jilin will be signed next June in Regina. The decision on a time frame for the "twinning" of the two provinces came following a meeting between Premier Grant Devine and Jilin governor Zhao Xiu. The actual twinning agreement will be completed when a Jilin delegation headed by the governor travels to Saskatchewan next June. When the arrangement is finally struck it will end a process that started four years ago under the former NDP government which pursued close ties with the Chinese specifically in the realm of potash research. The arrangements will make Saskatchewan the second Canadian province to have a formal twinning agreement with a Chinese province. The other is Alberta, which has already twinned with Heilongjiang a province directly north-east of Jilin.

REPUTATION ENHANCED

Canadian companies enhanced their reputation as leaders in the communications field at the fourth World Telecommunications Exhibition — Telecom 83 — held in Geneva, Switzerland from October 26 to November 1, 1983. The show, held every four years, is the most prestigious international exhibition in telecommunications and electronics. Canadian capabilities, products and services, which have already earned international recognition for excellence, were exhibited by some 25 companies offering a wide range of goods and services.

BRIEFS

MONTREAL MOST EXPENSIVE CITY

Montreal has edged out Vancouver for the dubious distinction of being the most expensive major city for an upper-middleclass family to live in. "It now costs about 1 per cent less to live in Vancouver than in Montreal," says Lynne Threlfall, a Conference Board of Canada researcher. "In 1981 it cost a family of four 17 per cent more to live in Vancouver than in Montreal." Much of the reason for the change is the decline in housing costs as a portion of the budget of a middle-class family and a comparative increase in the impact of income taxes, she says in The Canadian Business Review. A comparison of six cities shows that for a family of four with one salary of \$45,000 a year, total family expenses range from \$43,655 in Montreal to \$41,643 in Winnipeg, Manitoba. Living costs in the other cities were: Toronto. Ontario \$43,648: Vancouver, British Columbia \$43,266; St. John's, Newfoundland \$43,014 and Calgary, Alberta \$42,065.

TOP QUEBEC MEN VISIT

Montreal's Commissioner for Industrial Development, Claude Piche, visited Hong Kong for 13 days in January to help promote two-way trade between the city and the territory. The first official visit of a Montreal Government official to Hong Kong was part of Quebec's program to attract foreign investment. The province's Immigration Minister, Gerald Godin-has visited Hong Kong in mid-February to discuss immigration through investment with local people.

HI-TECH DEAL WITH CHINA

Spar Aerospace of Canada has reached agreements worth more than \$20 million for the sale of 26 satellite earth stations and the transfer of related technology to China. The earth stations will form a major part of China's planned satellite communications system. The technology transfer is a key element in a joint-venture agreement with China's Ministry of Electronic Industry for development and follow-on sales of the equipment. The agreements were signed at a ceremony during the official state visits to Canada by a delegation headed by Chinese Premier Zhao Ziyang.

CULTURAL ATTRACTIONS

Les Grands Ballets Canadiens, one of Canada's most outstanding ballet companies, are to appear in Hong Kong as part of an Asian tour. Of particular interest will be "Tam T. Delam", a ballet set to familiar French Canadian folkmusic. This will be included in the numbers to be performed on May 29 and 31. On May 30, the program will include "In Paradisum", a new ballet by Canadian choreographer James Kudelka. Another cultural attraction will be on April 10 when Yuri Mazurkevich, a new Canadian of Russian extraction and one of the world's leading violinists, will give a concert at the city hall.

YEAR OF TOURISM

The proclamation by the Tourist Industry Association of Canada of 1984 as the "The Year of Tourism in Canada" will be fully supported by Tourism Canada, the federal agency responsible for tourism. There are about 30 special dates to be observed in 1984, including the 450th anniversary of the arrival in Canada of Jacques Cartier, the 200th anniversary of loyalist settlement in Ontario, the Bicentenary of New Brunswick and milestone birthdays for Toronto (150th), Stratford, Ontatio (125th) and Calgary (100th). 1984 is also special in that it marks the first ever visit of a Pope to Canada.

CANADA PLACE FOR EXPO 86

Canada Place, the \$137 million Vancouver waterfront development that will include the Canadian pavilion at Expo 86, is expected to draw visitors from all over the world. Canada Place is to be opened as part of two major celebrations — Expo 86 and Vancouver's centenary. However the impact of the federally funded project will reach far beyond 1986. The development, to be constructed between 1983 and 1986, will include in addition to the Canadian pavilion, a cruise ship terminal, a hotel and an international trade centre (both to be financed by the private sector) a public plaza and other amenities. The Canadian pavilion, following Expo 86, will become Vancouver's trade and convention centre. In addition, Canada Place will open the waterfront areas to the public for the first time in decades with a large plaza, two promenade levels with view areas, a series of restaurants and shops, an outdoor entertainment area and max theatre. It is expected to become as active and colourful as San Francisco's Fisherman's Wharf.