



NATIONAL SPACE AGENCY OF UKRAINE

The recent announcement of a joint American-Russian-Canadian-Japanese-European program for the creation of an orbiting space station has prompted the Ukrainian government to strengthen measures to preserve the space industry of Ukraine. Ukrainian enterprises were major developers of many of the space projects for the former Soviet Union. Foreseeing that the Russians may want to appropriate scientific research originally produced by Ukraine's space industry, the government of Ukraine has directed that the allocation of Russian orders will all be handled by a newly-created National Space Agency of Ukraine. This Agency will guarantee the quality and dependability of space-related systems, products and technology undertaken by Ukrainian companies. Space research firms wishing to undertake joint ventures should contact the National Space Agency in Kyiv, tel. 7-(044)-212-48-48, or by FAX, at 7-(044)-212-0-66. Further information is available from the Ukrainian Embassy in Ottawa.

UKRAINE-CANADA EDUCATIONAL CONFERENCE IN UKRAINE: ODESSA - MYKOLAYIV - KHERSON JULY 11-25, 1994

In 1990, the Ukrainian Ministry of Education (Kyiv) and Saskatchewan Education signed an educational agreement which provides for cooperation in a wide range of areas, including student and teacher exchanges and professional contacts. The "Ukraine-Canada Educational Conference", held in Kyiv, Lviv, Ivano-Frankivsk and Chernivtsi in 1991, was the first major initiative resulting from the agreement. Its success prompted organizers to proceed with plans for a

1994 international educational conference, which will open in Odessa on July 11, 1994, travel to Kherson and Mykolayiv, and conclude in Odessa on July 23, 1994.

Saskatchewan Education, Training and Employment is pleased to cooperate with the Saskatchewan Teachers of Ukrainian, with the Ukrainian Ministry of Education (Kyiv) and with the International Centre for Education, Science and Culture (Lviv) in encouraging participation in the Ukraine-Canada Educational Conference in Ukraine, July 11-25, 1994.

This conference is open to all individuals, agencies, institutions and organizations who share a responsibility for and/or interest in educational contacts with Ukraine. Its major purpose is to facilitate direct contact between Ukrainian and Canadian educators for mutual professional, linguistic and cultural benefit.

BUSINESS & INDUSTRY

SEAGRAM

(Excerpts from New York Times article by Jane Perlez)

SUFFERING HANGOVER FROM UKRAINIAN PLANT VENTURE

KYIV... Seagram Co. arrived in Ukraine two years ago, eager to do business in a vast, untapped market where the people were known for their fondness for vodka.

The company was pushed along a romantic notion - that it was returning to the homeland of its founder - and it had grand plans for a new vodka that could be sold in Ukraine and exported to Russia, as well as to the West. There would be a plush showcase store in downtown Kyiv.

The store, replete with fine Canadian maple and Ukrainian marble, towering ceilings and glittering chandeliers, was unveiled by the scion of Seagram, Edgar M. Bronfman, the chairman and chief executive, in July.

Rare liquor and brandy, including \$190 bottles of vintage Cognac nestled in blue satin gift boxes, sell out as black marketeers spend their dollars on the most expensive items they can find. The champagne and Irish whiskey don't do badly either.

But the heart of the Seagram venture, the production of vodka at a plant in the Western Ukrainian city of Lviv, is stalled, blocked by a suspicious and chaotic government.

The Seagram story is a stark illustration of the difficulties in starting a business in the transitional economies of the former Soviet Union. And Ukraine may now be the toughest place as hyperinflation spins toward 100 per cent a month, the grey-market economy blossoms at the expense of the official one, and Parliament and the president's office issue conflicting laws and decrees on taxes and foreign currency.

There are 53 million people in this country, but there is no commercial distribution system and little brand consciousness. And that, after all, has been Seagram's stock in trade, with famous labels like Chivas Regal and Passport scotch whiskies, Martell Cognac and Mumm Champagne.

"It is now impossible to do business in Ukraine legally and make a profit," said Walter Kish, Seagram's manager here, who like Bronfman is of Ukrainian descent.

Kish cites a slew of onerous decrees - among them a rule forcing companies to change half their dollar earnings into local currency at an artificially low rate; excise-tax increases that tripled the price of Seagram's locally produced vodka; a ban on markups of more than 50 per cent of production costs, and abolition of the free-market currency auction.

If that were not enough, foreign business people complain about pervasive corruption. They assert that unless a contribution is made to what is loosely known as the "minister's pension fund" high government