

In recognition of Indonesian economic progress, Canada is working to increase the level of development assistance to Indonesia with a programme involving projects in transportation, power and water resource development in support of agriculture, regional development schemes and technical assistance programmes aimed at strengthening Indonesia's technological resource base.

I am happy to have been able to sign, during my visit, a loan agreement and two memoranda of understanding for projects which happen to be ready for final approval at this time but which also symbolize Canada's development assistance to Indonesia. The loan agreement provides \$10 million for flexible use in Indonesian water resource development. It reflects the high priority accorded water resource development at the recent Habitat Conference on Human Settlements in Vancouver. One of the memoranda of understanding concerns the provision of a grant of \$900,000 to assist in rehabilitating and expanding the Ombilin Coal Mine in West Sumatra through technical assistance to the Ombilin School of Mines and training at the College of Cape Breton, which, I am pleased to note, is very close to my own home in Canada. The other memorandum of understanding concerns the provision of a grant of \$550,000 to finance a feasibility study, design, supervision of construction and project management for the Bengkulu hydro-electric generating station in Sumatra. I am also pleased to have been able to exchange letters with Mr. Malik concerning a \$9.4 million loan to finance the foreign costs of Biringkassi Port which will service the Tonasa Cement Plant in Sulewesi. This loan completes the \$80 million Canadian financing for the Tonasa project. These four projects reflect Canada's continuing commitment to Indonesian economic development.

A vote of confidence in Indonesia's future was also extended by the International Nickel Company of Canada, one of Canada's major industries. INCO is investing \$850 million for the construction of a nickel mining and smelting project, which will be a significant addition to Indonesia's industrial capability. Although this is the largest, it is not the only project involving Canadian capital and technology, as a number of other Canadian companies are equally active in Indonesia in a number of fields.

The contacts that Canada and Indonesia have so successfully developed in the past few years, however, extend beyond the bilateral to the multilateral, where we have found that we could co-operate on certain issues and consult each other to good effect on others. I recall that at the United Nations, Canada was a member of the Security Council at a time when we were able to make a contribution to Indonesia's