

## Canada-Algeria meetings

Minister of External Relations Pierre De Bané led a Canadian delegation to the second session of the Canada-Algeria intergovernmental commission which was held in Algiers, April 19-21.

The Algerian delegation was led by Minister of Commerce Abdelaziz Khellef and Secretary of State for Foreign Trade Ali Oubouzar.

During his stay in Algeria, Mr. De Bané held talks with Prime Minister Ben Ahmed Abdelghani, President of the National People's Assembly Rabah Bitat, and several other Algerian ministers. The Canadian minister also inspected a number of Canadian projects being financed through a \$1.2-billion line of credit made available to Algeria by the Canadian Export Development Corporation.

The chairmen of the commission noted the increased co-operation between the two countries and called for further examination of ways to enhance economic, scientific, technical and cultural co-operation.

### Training agreement

The commission expressed satisfaction with the system of government-to-government sectoral agreements that was being used and noted that an initial agreement had been concluded in the professional training sector, while a second was being negotiated in tourism. They also pointed to the signing of long-term contracts for wheat, colza and milk. The two sides made mention of the large number of missions exchanged during the past year and expressed their desire to further such missions in the future.

The delegations also noted that the priority sectors in Algeria's five-year plan were in line with the leading areas of Canadian industry, mainly in the areas of transportation, construction and habitat, hydraulics, telecommunications, agriculture and tourism.

Economic exchanges reached more than \$800 million in 1981 making Algeria Canada's most important trading partner in Africa and the Middle East.

Both sides indicated their desire for expanding relations beyond the industrial level especially in the area of training. With this in mind, they examined a proposed technical co-operation agreement.

### Firms negotiate contracts

Prior to Mr. De Bané's visit the Canadian government announced that three Can-

adian firms have been invited by the Algerian government to construct 35 training centres in Algeria and to provide the necessary technical and educational equipment. The companies are negotiating with the Algerian ministries involved and a commercial agreement is expected to be finalized soon.

Financing for the contracts, estimated at about \$125 million, will come from the EDC line of credit. Construction is expected to start in June with completion in December 1984.

The contracts were made possible under an intergovernmental agreement signed by Canada and Algeria earlier this year. Under the agreement the Canadian government, at the request of the Algerian government, undertakes to support companies that have the technical expertise and are capable of successfully completing projects.

## Energy incentives for northern and remote areas

The federal government has announced a total of \$33 million in funding for energy programs for northern and remote communities.

The bulk of the funding — \$24 million — is for a new initiative called the Remote Community Demonstration Program. It is aimed at reducing the consumption of high-cost oil for power generation and space heating by communities in areas which do not have access to electricity.

There are more than 325 communities in Canada which do not have access to electricity grids and gas distribution systems. Most of these communities are located in the North and rely on oil products for space heating and electrical generation to a much greater degree than communities in the more populated regions of Canada. The present annual oil consumption in remote communities is more than 400 000 cubic metres.

Oil products cost from 25-200 per cent more than in southern centres and diesel-generated electricity costs five to 20 times more than electricity supplied by major provincial grid systems.

### Areas remain unconnected

Most provinces have plans to connect at least some remote communities to electric grids or gas pipelines but it is estimated that by the year 2000 about 225 communities and a large number of isolated posts will remain unconnected.

The program will be implemented in two phases over the next four years. Under the program, communities will receive support in assessing their energy needs and identifying off-oil opportunities. In the second phase of the program the federal government will provide financial assistance for a limited number of demonstration projects which will focus on alternative technologies and conservation measures which may be suitable for wide-scale application, in remote communities.

Of the total funding, \$10 million will be allocated to communities in the Yukon and the Northwest Territories as part of the government's energy policy for the North. Under the policy another \$9 million will go to the Yukon and Northwest Territories to assist off-oil conversion and energy conservation efforts.

This \$9-million forms a new package of energy initiatives that includes a new program to examine local supply options for remote communities, improvements to make existing energy programs more responsive to Northern needs and the extension of energy price subsidies for a further year.

The policy for the North also encompasses changes to existing programs such as the Canada Oil Substitution Program, Distribution System Expansion Program and the two Conservation and Renewable Energy Development Agreement that the federal government has entered into with the Yukon and Northwest Territories governments in order to allow them to address unique northern conditions and requirements.

## Firms get Indonesian contracts

The Canadian Commercial Corporation has awarded 40 contracts worth approximately \$15 million to 23 Canadian suppliers of road building equipment on behalf of the Indonesian government.

The equipment, including cranes, trucks, loaders, rollers, compressors, drills, rock crushing and asphalt plants, test instruments and tools, will be used for the construction of some 200 kilometres of highway between the cities of Banda Aceh and Meulaboh, on the north-west coast of Sumatra.

Financing for this procurement was provided by a loan to the Indonesian government from the Canadian International Development Agency.