

Less than a month ago, the Canadian Patrol Frigate, HMCS *Regina*, paid a three-day visit to Jakarta. Members of the Indonesian Navy were among the honoured guests aboard the frigate. While enhancing bilateral relations, this visit also served to promote security in the southeast Asia region, which is in the interest of every Canadian and Indonesian.

Our respective business communities are also doing their part to build links between our countries. In fact, they have long realized the great potential that lies in commercial co-operation. In 1994, our two-way trade exceeded \$1 billion, and total and planned Canadian direct investment in Indonesia exceeds \$5 billion - Canada's largest overseas investment in an Asian country.

Here in Surabaya there are some very good examples of Canadian and Indonesian business links. In a few moments, I will witness the signature of documents that will establish the Surabaya Chapter of the Indonesia-Canada Business Council. Last November, witnessed by the Prime Minister, the Indonesia-Canada Business Council and the Canada-Indonesia Business Council signed a co-operation Memorandum of Understanding [MOU].

This morning, just after I arrived in Surabaya, the Regional division of Canadian Airlines International, one of Canada's two national airlines, signed an MOU with Merpati, Indonesia's regional airline. The MOU provides for co-operation in airline maintenance, administration and training. Funding to support this project has been provided through the Canadian International Development Agency's Industrial Co-operation Program.

Canadian business is also active in the environment, financial services, architectural design, manufacturing, and consulting engineering sectors.

Development co-operation also helps to build links. Indonesia represents one of the largest development co-operation programs in the world for the Canadian International Development Agency [CIDA], disbursing more than \$28 million annually. Funds are targeted at projects in areas such the environment, private sector development and infrastructure services, women in development and human resources development.

East Java benefits through many CIDA-supported development projects, such as the Islamic Higher Education Development Project, supporting Institutes of Islamic Studies throughout Indonesia; the Environmental Management Development in Indonesia [EMDI] project, strengthening the environment at the government policy level; the Indonesia Co-operative Development Assistance Program, which supports dairy co-operatives in East Java; and the Women's Support project, which assists the Ministry for the Role of Women in carrying out its mandate.