

Minister Engages In Broad Discussion



Minister for International Trade James Kelleher is received by Prime Minister, General Prem Tinsulanonda at Government House

During his three-day visit, Mr. Kelleher met with Prime Minister Prem, Foreign Minister and Deputy Prime Minister Siddhi and five Thai Ministers responsible for commerce, industry, oil and gas, transportation, and communications.

Mr. Kelleher welcomed Thailand's participation in Expo '86 and invited several Thai Ministers to visit Canada during the Fair.

Mr. Kelleher provided on behalf of the Canadian International Development Agency (CIDA) a cheque in the amount of \$525,000 to Professor Alastair North, President of the Asian Institute of Technology (AIT), as part of Canada's commitment to the AIT's broad based human settlements program. Under this Cdn \$3.8 million project, CIDA provides scholarships for a total of 120 Asian students during the 1983-86 period.

He also said that under the Asia Pacific component of the National Trade Strategy three market studies in agro-food

processing, telecommunications, and defence products will be completed by March 31, 1986. Completion of these studies will provide Canadian companies with current market information to assist in the sale of their products in these sectors.

Mr. Kelleher also made the following announcements:

Ontario Hydro has signed a technical co-operation agreement with the Electricity Generating Authority of Thailand (EGAT). The agreement with EGAT is representative of Ontario Hydro's international marketing efforts in selected overseas markets. It also demonstrates EGAT's high regard for the technical capability of Canadian utilities.

To strengthen relations, a new commercial officer will be added to the Embassy's Commercial Division. This is one of the steps the Government is taking to increase trade representation in the Asia Pacific region.



Mr Kelleher meets with Deputy Prime Minister and Minister of Foreign Affairs, Siddhi Savetsila

Technology Transfer In Thailand

The joint-venture approach to trade development is rapidly gaining currency in Canadian-Thai economic relations, and this augers very well for their future. Several Canadian firms have realized that simple sales of their products will represent a temporary phenomenon, and that by the time these sales begin to become established, there is the strong possibility they could be supplanted by local, cheaper imitations. In order both to guard against the latter scenario, and to strive towards a more lasting presence in the relatively new, and expanding market of Thailand, several Canadian firms have chosen to enter into technology-based joint-ventures with local firms.

An interesting feature of technology transfer-based joint-ventures by Canadian firms in Thailand is that they frequently involve relatively small Canadian companies. The very firms one would expect to have the greatest difficulty in sustaining links literally on the other side of the world, have proven to be the ones most willing to make this commitment, perhaps, because they best realize their dependence on strong local representation. Another positive feature of joint-venturing is that benefit can accrue, almost in equal measure, to both Thai and Canadian partners, and thus CIDA's Industrial Cooperation Program has been eager to support this type of activity.

Wide Variety of Projects

Canadian-Thai joint-ventures have been established in a variety of industrial sectors, ranging from heavy construction equipment to food processing. In 1985, four totally different Canadian technologies were the subject of joint-venture agreements. Two food-related companies, Oboe Engineering and Protein Foods Ltd., separately set events in train which ultimately will result in Canadian solar grain dryers, and Canadian chicken deboning equipment being introduced into the dynamic Thai agro-industry sector. Later in the year Champthai was created, a joint-venture between Champion Road Graders of Goderich, Ontario and a Thai company, to produce road graders for the Thai and Southeast Asian markets. Towards the end of 1985, Airways Compressors of Calgary signed an agreement with a Thai company to introduce Canadian technology for turning raw natural gas into a vehicle fuel through compression. This compressed natural gas, often called simply CNG, should greatly reduce imports of fuel to Thailand.

There are dozens of other similar projects in various stages of review, and it is hoped 1986 will be an equally productive year for the establishment of new, and long-lasting, commercial links.