

Energy minister visits Middle East

Canadian Minister of Energy, Mines and Resources Marc Lalonde visited Egypt, Kuwait and Saudi Arabia in January at the invitation of the energy ministers of these countries.

Mr. Lalonde's trip was aimed at strengthening Canada's relations with those countries and furthering energy co-operation between the Middle East and Canada. The minister's visit also provided an opportunity to exchange views on North-South issues as well as on bilateral issues such as finance and trade.

In Egypt, Mr. Lalonde and Egyptian Foreign Minister Kamal Hassan Ali signed a joint statement on nuclear co-operation. The statement indicated both governments plans to conclude a nuclear-co-operation agreement that would enable Canada to participate in the development of an Egyptian nuclear power program which is expected to eventually replace petroleum used in producing electrical energy in that country.

The agreement would recognize that the nuclear programs of Canada and Egypt are subject to safeguards applied by the International Atomic Energy Agency in order to verify the peaceful, non-explosive commitment that has been made by both countries through adherence to the Treaty on the Non-Proliferation of Nuclear Weapons.

Mr. Lalonde met with Egyptian Minister of Energy and Electricity Maher Abaza to discuss North-South energy issues and possible opportunities for Canadian involvement in developing alternative energy technologies in Egypt. The energy minister also reviewed Canada's program of development assistance to Egypt. Mr. Abaza has accepted an invitation by Mr. Lalonde to visit Canadian nuclear establishments.

International energy trade talks

During his Kuwaiti visit, the Canadian minister met with Minister of Oil, Sheikh Ali Khalifa al-Sabah for discussions on international energy trade and the world oil market. The ministers examined Canadian and Saudi Arabian programs to assist developing nations with their energy problems.

Mr. Lalonde, being the first Canadian Cabinet minister to visit Kuwait, took the opportunity to discuss Canada-Kuwait relations in other areas including finance and investment and opportunities for Canadian companies in Kuwait's develop-



Canadian Energy Minister Marc Lalonde (left) and Egyptian Foreign Minister Kamal Hassan Ali sign joint statement.

ment programs. The Canadian energy minister also met with His Highness the Emir of Kuwait, Finance Minister Abdul Latif al-Hamad, and Dr. Ali Attiga, Secretary-General of the Organization of Arab Petroleum Exporting Countries, which has its headquarters in Kuwait. The Canadian delegation was given a tour of the refining and petrochemical complex at al-Ahmadi and Shuaiba controlled by the Kuwait Petroleum Corporation.

Talks with Saudi Arabians

In Saudi Arabia, Mr. Lalonde was received by King Khaled and held talks with Telecommunications Minister, Sheikh Kayal, Planning Minister, Dr. Nazer and Minister of Petroleum and Mineral Resources, Sheikh Ahmed Zaki Yamani. Mr. Lalonde, Sheikh Kayal and Dr. Nazer reviewed Canadian activities in the Saudi Arabian telephone development program and the potential role of Canadian expertise and equipment in the implementation of the country's next development plan.

Mr. Lalonde and Sheikh Yamani spoke of development in world oil markets and oil pricing. In addition they discussed technology transfers and Canada-Saudi Arabia co-operation in developing that country's mineral resources.

During his stay in Saudi Arabia, Mr. Lalonde visited the Saudi Telephone Corporation to view work being done by Bell Canada. The minister also travelled to Aramco headquarters in Dhahran for briefings on the Saudi oil and gas sector; this included an inspection of seismic exploration activities in the deserts of the Rub al Khali.

Incentives for electronics industry

A new \$93-million, three-year program to promote the manufacture and use of electronics in Canadian industry has been announced by the Department of Industry, Trade and Commerce.

The program, called support for Technology Enhanced Productivity was announced by Minister of Industry, Trade and Commerce and Regional Industrial Expansion Herbert Gray.

Highlights of the new program, that will provide special opportunities for smaller regionally-based firms, include:

- funding for the establishment of four additional microelectronic centres so that centres are located in every province;
- establishment of a major projects investment fund for the electronics and machinery industries; and
- a "one-stop shopping" program delivery system in the regional office of the Department of Industry, Trade and Commerce across Canada.

Benefits for manufacturers

In addition, the new program will provide extra funds to existing programs which will benefit firms making electronic goods. The government will provide another \$48 million for major projects that will support world competitive research and development and capital investment manufacturing and software projects which would not otherwise take place in Canada. The funds now will also cover research and manufacturing of equipment such as robots and computer assisted manufacturing equipment.

For companies in all sectors which use these products and technologies, the program will provide for:

- an enhanced industrial education program to alert business to the potential of electronics for their industry;
- an expanded country-wide network of ten microelectronics centres so that there will be a federally supported source of sophisticated technological advice and assistance in every province, particularly for small- and medium-sized firms;
- additional funds for incentive programs to share the costs of feasibility studies and of implementing the investment plans;
- a requirement that labour participate in the planning and implementation of the projects; and
- additional funding to support the costs of designing custom "chips" — specialized integrated circuits which can provide greater efficiency in a product.