

a conduit for directing some Asian deposits into Canada. In the main, it has been a profitable experience; one Canadian banker estimates that the five probably generate among them annual net profits on Asian operations of about \$10 million. "This whole region has been a net contributor to Canada," believes T. L. Gibbs of the Bank of Nova Scotia.

More important, the banks are now in a position, both with financial help and commercial intelligence, to assist other Canadian business growth in the region. "The banks here have come a bit ahead of business," observes a Royal Bank executive.

Canadian consultants have established a significant and growing business in Southeast Asia. For example, two firms — C. D. Howe Co. and Montreal Engineering Co. — incorporated subsidiaries in Singapore five years ago. Vancouver's Norman Springate and Associates has a 49 percent interest in a Malaysian engineering consultancy. This latter case illustrates what was discovered by one trade mission member, Michael Gillham, president of the Association of Consulting Engineers of Canada — throughout Asia, local authorities strongly prefer foreign engineering consultants to come in as joint-venture partners, thus enabling a transfer of skills to local consultants. Montreal Engineering was successful in its bid to design Singapore's major thermal-power project, in part because the design office was located in Singapore and not abroad.

The trade mission included several Canadian consulting firms with an established "track record" in Southeast Asia. Forestal International Ltd., an affiliate of Vancouver's Sandwell and Co., has done a variety of forestry studies in Malaysia during the 1970s, including a study on the viability of a pulp-and-paper complex. The firm has also done, or is doing, various forestry studies in Thailand, the Philippines and Indonesia.

Shawinigan Engineering Co., Montreal, is the project engineer on one hydroelectric development in Malaysia and is working on two other hydro-related studies there. In the Philippines, it is engaged with a U.S. firm and local firms on a study of hydroelectric and irrigation projects.

Canadian Pacific Consulting Services Ltd., one arm of the transportation giant, carried out a technical-assistance program in 1972 for Malaysian State Railways, has made a study of dieselization for Thailand's rail system, and is currently just beginning a two-year program of technical assistance, funded by the World Bank, to Indonesia's state railways.

The majority of consulting contracts have been financed either through aid programs or through the international banks, notably the World Bank and the Asian Development Bank. Shawinigan Engineering president Kenneth Gray, after an intensive briefing at ADB headquarters in Manila, described that bank as the "focal point" of the region. ADB officials complained that too few Canadian consulting firms are now registered with the Bank to receive tender calls. More serious, perhaps, was the comment that not all the registered firms, when they are short-listed, pursue possible contracts aggressively. Also at the ADB briefing, ACEC president Gillham — head of the Halifax consultant firm Whitman, Benn and Associates (1969) Ltd. — found there was potential business for Canadian firms with expertise in fisheries.

There are a handful of significant Canadian investments in resource-extraction in Southeast Asia. By far the largest is the \$800-million nickel mine on the Indonesian island of Sulawesi, which International Nickel Co. of Canada will bring into production later this year. In the Philippines, Placer Development Ltd. of Vancouver has 40 percent interest in the country's major copper-mine. In Malaysia, MacMillan Bloedel Ltd., Canada's leading forest-products company, has a series of investments in forestry, including a plywood complex.

A few Canadian manufacturers also have invested in Southeast Asia. An important recent example is Electrohome Ltd., the Kitchener electronics firm, whose two-year-old plant in a suburb of Kuala Lumpur produces circuit boards for Canadian television sets.

A complete list of Canadian firms with investments or contracts in the region would be a good deal longer. On the other hand, it would appear slight against the much larger activities by competitors from the U.S., Europe and, above all, Japan.

Late-comers

Canadians are relative late-comers to the region, both in the commercial and the diplomatic spheres. The Canadian Embassy in the Philippines, for example, is less than five years old. The upgrading of the previous consulate there may well have been prompted by Filipino emigration to Canada. There are now an estimated 80,000 Filipinos in Canada. There were about 100 applicants queuing at the Embassy in Manila on the day Mr. Jamieson called there during the trade mission.

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