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VOL 10 NO 1

MARCH 1990

Canadian Development Assistance 1990/91

The Canadian International Development Agency (CIDA) received a budget of \$2.9 billion in the 1990/91 fiscal year, a substantial increase from last year's allocation. In the 1991/92 fiscal year, the budget is to surpass the \$3.0 billion mark.

CIDA is responsible for the delivery of three-quarters of Canada's Official Development Assistance (ODA). The remainder is delivered through the World Bank and international agencies, and by four Canadian Crown Corporations: the International Development Research Centre (IDRC), Petro-Canada International Assistance Corporation (PCIAC), the International Centre for Ocean Development (ICOD), and the International Centre for Human Rights and Democratic Development (ICHRDD).

CIDA's action plan, entitled "Sharing Our Future", has three themes:

- Improving program delivery to ensure the best that Canada has to offer reaches those in greatest need, when they need it the most.
- Fostering partnerships to build on the spirit of commitment by Canadians with the people of the developing world to establish a more equal partnership for progress.
- Reaching out to the public to open lines of communication so that aid policy will reflect the interests and concerns of both donors and recipients.

In line with Canada's strategy for development, half of CIDA's budget will fund the Partnership Program, shaped by the government's many Canadian and international partners in development. The balance supports Canada's

National Initiatives Program of bilateral assistance and other contributions to development projects.

The **Partnership Program** comprises:

- \$1.4 billion for Canada's aid partners
- \$549 million to international financial institutions
- \$280 million for the voluntary sector
- \$12.9 million for CIDA's Special Programs Branch under the voluntary sector
- Crown Correspondents
 - \$114 million for IRDC
 - \$12.3 million for ICOD
 - \$3 million for ICHRDD
 - \$1 million for the newly-established Centre for Sustainable Development
- \$67 million for the Industrial Cooperation Program, reflecting Canada's commitment to obtaining greater private sector involvement in international development
- \$167 million for multilateral technical cooperation
- \$155 million for multilateral food aid
- \$45.8 million for the United Nations.

The **National Incentives Program** will disburse:

- \$209 million for bilateral food aid
- \$86 million for scholarships and student fees
- \$53 million to PCIAC
- \$59 million for humanitarian assistance for emergencies.

Canada's development assistance program will continue to focus on poverty relief, with emphasis placed on the environment and on resource development. Of CIDA's \$2.9 billion program, only \$207 million is spent on administration.

SARAWAK SELF-HELP



Members of SABERKAS and the community installing a water tank on the 18-foot platform

For over 70 years the people in the longhouses of Rumah Unggah, Sibul, Sarawak, Malaysia, have had to make do with salty water during the three to six-month dry season. But with community cooperation, coordination from a youth organization and a \$2,200 contribution from the Canada Fund, clean, fresh water is finally available to the 40 families all year round.

Rumah Unggah, situated on the confluence of the River Rejang and Melanggan tributary, is a community of over 250 people. Collecting water in the dry season was a major problem since the only source of fresh water was a two to three-hour journey to the source. To overcome this difficulty, SABERKAS Sg. Melanggan, a youth organization in Sarawak, undertook the installation of three water tanks for the collection of rainwater.

Representatives from each family were involved in the four-day work camp to construct an 18-foot tower platform for the tanks, and to place a network of pipes to each family unit.

Cont. on page 3

NEW CANADIAN FEDERAL CABINET

On March 1, the Prime Minister of Canada, the Right Honourable Brian Mulroney, announced a series of changes in the composition of the federal cabinet. The new cabinet line-up, in order of precedence, is as follows:

- Martin Brian Mulroney, Prime Minister
- Charles Joseph Clark, Secretary of State for External Affairs)
- John Carnell Crosbie, Minister for International Trade
- Donald Frank Mazankowski, Deputy Prime Minister, President of the Queen's Privy Council for Canada and Minister of Agriculture
- Elmer MacIntosh MacKay, Minister of Public Works and Minister for the Purposes of the Atlantic Canada Opportunities Agency Act
- Arthur Jacob Epp, Minister of Energy, Mines and Resources
- Robert R. De Cotret, President of the Treasury Board
- Henry Perrin Beatty, Minister of National Health and Welfare
- Michael Holcombe Wilson, Minister of Finance
- Harvie Andre, Minister of State and Leader of the Government in the House of Commons
- Otto John Jelinek, Minister of National Revenue
- Thomas Edward Siddon, Minister of Indian Affairs and Northern Development
- Charles James Mayer, Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)
- William Hunter McKnight, Minister of National Defence
- Benoit Bouchard, Minister of Industry, Science and Technology
- Marcel Masse, Minister of Communications
- Barbara Jean McDougall, Minister of Employment and Immigration
- Gerald Stairs Merrithew, Minister of Veterans Affairs
- Monique Vezina, Minister of State (Employment and Immigration) and Minister of State (Seniors)
- Frank Oberle, Minister of Forestry
- Lowell Murray, Leader of the Government in the Senate and Minister of State (Federal-Provincial Relations)
- Paul Wyatt Dick, Minister of Supply and Services
- Pierre H. Cadieux, Solicitor General of Canada
- Thomas Hockin, Minister of State (Small Businesses and Tourism)
- Monique Landry, Minister for External Relations
- Bernard Valcourt, Minister of Fisheries and Oceans
- Gerry Weiner, Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)
- Douglas Grinslade Lewis, Minister of Transport
- Pierre Blais, Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)
- Lucien Bouchard, Minister of the Environment
- John Horton McDermid, Minister of State (Privatization and Regulatory Affairs)
- Shirley Martin, Minister of State (Indian Affairs and Northern Development)
- Mary Collins, Associate Minister of National Defence and Minister Responsible for the Status of Women
- Alan Redway, Minister of State (Housing)
- William Charles Winegard, Minister for Science
- Kim Campbell, Minister of Justice and Attorney General of Canada
- Jean Corbeil, Minister of Labour and Minister of State (Transport)
- Gilles Loiselle, Minister of State (Finance)
- Marcel Danis, Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons

DEVELOPMENT

Ambassador Simard Visits Negros And Mindanao

Ambassador André S. Simard visited Western Visayas and Southern Mindanao in January to look at areas of special interest to Canada's development program in the Philippines. The one-week visit was aimed at reviewing Canada's aid program, especially human resource development, institutional strengthening, and community and regional development.

In Negros, Ambassador Simard was briefed on the operations of the Negros Rehabilitation and Development Fund (NRDF) and visited some of the ongoing projects. The Canadian Government is already assisting some 60 projects under the NRDF with more than 112,000 direct and indirect

beneficiaries.

During the visit, the Ambassador signed five agreements for newly-approved projects:

- A two-year skills enhancement program by the Multi-Sectoral Alliance for Development
- An institution-building program for Negros NGOs by HOPE Volunteers Foundation Inc.
- A rural poverty alleviation program under the Office of the Governor
- A community-based management system for an economic district in Negros Oriental by the People's District Management Centre
- A Negros Oriental local capacity-building program by the Visayas

Cooperative Development Centre.

In Southern Mindanao, one of the faster growing parts of the country, Ambassador Simard visited Davao City and General Santos City where two CIDA-supported projects are located. These are the \$3.6 million Davao Health Development Project being undertaken by the Davao Medical Centre's Institute of Primary Health Care with assistance from the University of Calgary, and the \$4.8 million nationwide non-formal education project being undertaken by the Association of Non-Traditional Education for the Philippines (ANTEP) with assistance from the Association of Canadian Community Colleges (ACCC).

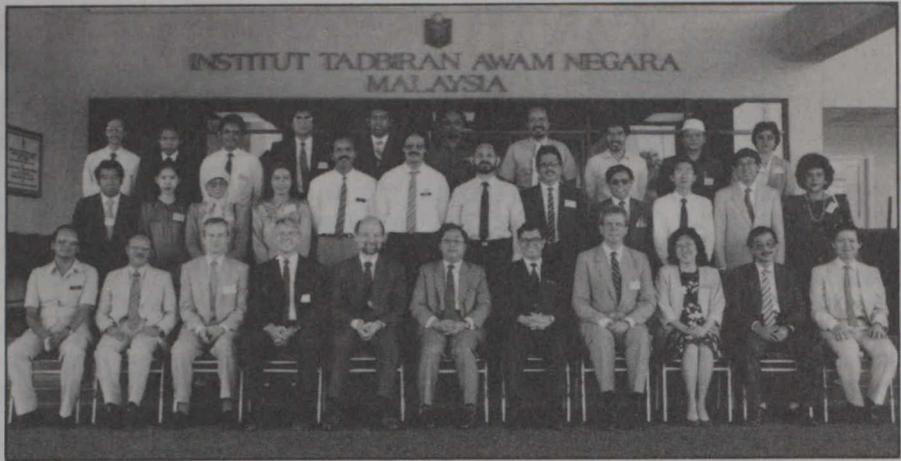
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The project also enjoyed the collaboration of the local Health Department, which provided technical assistance and organized seminars on health and hygiene during the work camp. The Canada Fund contribution to the project was used for the purchase of equipment and materials.

The project, which was the first community "self-help" project, also instilled confidence in the community to undertake group projects to benefit the longhouse population.

The effective completion of the water tank project serves as a model which can be replicated by SABERKAS in other communities in Sarawak. The organization has since identified other projects in which the community self-help concept can be applied successfully. The water tank project also reinforced the enthusiasm and emphasized the role of youth in rural development, in light of the increasing trend of rural-urban migration.

The Canada Fund, which has placed a priority on self-help projects, will continue to emphasize such projects in future contributions.



Participants and instructors at the pilot workshop held at INTAN

LEARNING FROM EXPERIENCE

Because the effective use of human resources is critically important to the realization of developmental goals, the Canada-Malaysia Development Co-operation Program highlights human resources development. One undertaking in particular is designed to assist Malaysia in enhancing its planning capability – a rigorous evaluation process to improve training programs.

The Canadian International Development Agency (CIDA) is funding a five-year program to provide Malaysian government officers with "hands-on" experience through attachments with Canadian federal and provincial government agencies. Also included in this program are study tours and technical missions to Canada, and short-term Canadian assignments in Malaysia.

An important element of this package is a program evaluation workshop designed to provide participants with the opportunity to give feedback on ways to improve the program. Practical recommendations for improvement are an intrinsic part of this process and they must be defended in the workshop setting.

The two pilot workshops took place in February and December 1989, at INTAN, the National Institute of Public Administration, in Kuala Lumpur. There, 43 senior officers from seven government organizations participated in discussions led by Dr Gordon Cassidy of Queen's University, Kingston, and Ronald Corbeil of the Office of the Comptroller General of Canada.

The workshop programs were judged "an exceptional success" by the participants, although the program requires follow-up to ensure its continued success. One recommendation made was to extend the program evaluation seminars to senior level Malaysian officials in order to foster an environment in which the new evaluation approach can flourish.

The modifications made to this workshop in consultation with the participants resulted in a revised program uniquely suited to the Malaysian environment because it was developed, tested and proven by Malaysians – the essence of technology transfer.



Ambassador Simard Briefs Regional Development Council

During a meeting with the Regional Development Council (RDC) in Davao, Ambassador André S. Simard (second from right) provides an overview of Canada's aid program in the Philippines with emphasis on CIDA's expanding support to NGOs. Also shown in photo from left to right: Jim Carruthers (CDPD-Philippines), Wendel Abesado (RDC XI Vice-Chairman) and Jesus V. Ayala (RDC XI Chairman).

CANADA SUPPORTS PHILIPPINE PETROLEUM DEVELOPMENT

Senior officials from Canada and the Philippines' Office of Energy Affairs presided over the opening of a six-day seminar on "Managing Petroleum Industry Organizations Effectively in the 1990s", which was held at the Development Academy of the Philippines Conference Centre. The seminar was prepared by the Alberta Summer Institute of Petroleum Industry Development (ASIPID), drawing on the resources and expertise of the Canadian private and academic sectors.

Representing Canada were Peter M. Towe, Chairman and Chief Executive Officer, Petro-Canada International Assistance Corporation (PCIAC); Wilbert H. Hopper, Chairman and Chief Executive Officer of the parent company, Petro-Canada; and J. Stanford, President of Petro-Canada Resources. Heading the Philippine contingent was W. R. de la Paz, Executive Director of the Office of Energy Affairs (OEA). Canadian Ambassador Andre S. Simard also attended the seminar.

Other participants included officials from the OEA, the Philippines National Oil Corporation (PNOC) and Philippine private sector oil firms, as well as representatives from Thailand, Indonesia, Singapore and Malaysia.

Executive Secretary Catalino Macaraig of the Office of the President hosted an Executive Round Table on developments in the global oil industry and how these might affect the Philippines. Mr Hopper discussed the effects of growing global oil consumption and higher import bills in oil-importing developing countries. The need to encourage domestic oil exploration in such countries was clearly recognized.

President Corazon Aquino met Ambassador Simard, Mr Hopper, Mr Towe and Mr Stanford to discuss Canadian support to the Philippine oil and gas industry and the findings of the Executive Round Table. The Petro-Canada officials offered further assistance in the form of Canadian goods and services to the PNOC for a possible multi-well drilling project in conjunction with the private sector.

PCIAC is the main development assistance arm of the Canadian Government in the oil and gas sector. It was established in 1981 as a non-profit subsidiary of Petro-Canada, Canada's nationally-owned oil and gas corporation. Canadian aid funds are used to help oil-importing developing countries explore indigenous sources of oil and gas, using Canadian expertise and personnel as required, on a non-profit, cost-recovery basis.

PCIAC has granted approximately \$15.9 million to the Philippines since 1983. Its current activities, of which the petroleum management seminar was a part, include upgrading data, management capabilities through equipping a new Data Management Centre, technical and management training in the Philippines and Canada, and technical advisory support to exploration activities being carried out by the PNOC-Exploration company.

Key figures of the seminar, "Managing Petroleum Industry Organizations Effectively in the 1990s", called on President Aquino. From left: Mr J. Stanford, Ambassador Simard, Mr Peter Towe, Mr W.H. Hopper, Mr Catalino Macaraig, Mr W. R. de la Paz, Ambassador Sergio Barrera, Chief of Protocol in Malacanang, and Mr Rufino Bomasang, Deputy Executive Director of the Office of Energy Affairs



CIDA MAN MOVES ON

Jose (Jojo) D. Deles, Jr., program manager of the CIDA Field Support Unit for the past four years, was recently appointed Undersecretary for Operations in the Department of Agrarian Reform in the Philippines. Jojo will be sorely missed by all those involved in the Development Assistance Program.



Canada Funds Asean Health Education Project

The Canadian International Development Agency (CIDA) recently announced that Canada will provide approximately six million dollars over the next five years in support of an educational project developed by the ASEAN Institute for Health Development, Mahidol University, Bangkok; the Institute of Primary Health Care, University of the Philippines, Davao; and the University of Calgary, Canada. This funding is made under the Centres of Excellence Program.

Participating institutions will collaborate in the planning and delivery of an integrated series of educational programs in support of rural community-based development. Programs will be offered in Bangkok, Davao and Calgary.

Picture shows Canadian Ambassador to Thailand, L.A.H. Smith, congratulating Dr Orapin Singhadej of the AIHD. Looking on, from left, are Dr Pantyp Ramasootr, Mr George Attig, Dr and Mrs Malcolm Kerr, project proponents, and Jeannette Adair, Canada ASEAN monitor.

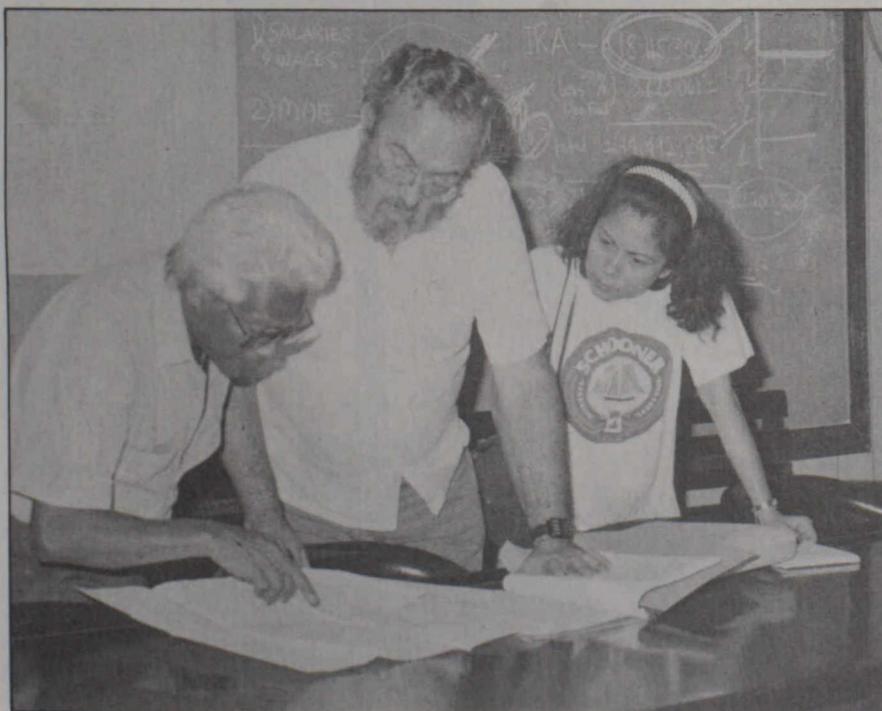
Canada Shares Telecoms Expertise With Philippines

A Canadian telecoms mission, headed by Colin Billowes, a telecommunications expert with the Canadian International Development Agency (CIDA), visited Manila in February for discussions with government and private communications agencies. The topic: expediting Canadian support for the development of telecommunications in the Philippines.

Mr Billowes' visit followed the signature of a \$42 million telecommunications line of credit from CIDA and the Export Development Corporation during President Corazon Aquino's November 1989 visit to Canada.

He also finalized the contract with Teleconsult Ltd of Vancouver, British Columbia, the Canadian executing agency for the \$5 million component being extended to the Department of Transportation and Communications. During his stay, he found time as well to inspect the existing telecommunications sites in Manila, Cebu and Capiz, and exchanged views with Filipino counterparts as well as with local government officials.

CIDA's Colin Billowes and Elizabeth Aguilar, Commercial Officer of the Canadian Embassy, are briefed by Capiz Provincial Governor Jose Borda on the planned telephone projects for his province



CANADIAN SCHOLARSHIPS FOR WOMEN MANAGERS

■ Six Singaporean women managers were awarded scholarships to attend management training seminars at the Asian Institute of Management in Manila. They were nominated by the Canada-ASEAN Centre as part of a project funded by the Canadian International Development Agency (CIDA) and administered through the Asian Institute of Management.

They include three entrepreneurs – Cynthia Ong, managing director of OKH Ballet Centre; Clara Chen, director of Brighton Commercial Training Centre; and Li-Lian Lim, managing director of Oilchem Petroleum Pte Ltd. The other three are Charlotte Beck, a deputy director at the Ministry of Education; Bee Wan Ditzig, executive director of the Community Chest of Singapore; and Vivien Chiam, of the Asian regional office of the International Development Research Centre.

The CIDA-sponsored project has assisted women in government and non-governmental organizations and business organizations in ASEAN to receive relevant training designed to meet their needs in such areas as career strategies, decision-making and leadership styles. Training tools developed include case studies based upon leading South-East Asian women corporate managers and business-women. A customized curriculum is being developed to integrate into existing management schools in the ASEAN region.

A reception was held at the Canada-ASEAN Centre to honour the six women managers. From left: Li-Lian Lim, Cynthia Ong, Bee Wan Ditzig, Bernard Gagosz, High Commissioner to Singapore, Dick Gold of the Canada-ASEAN Centre, Vivien Chiam and Clara Chen

MALAYSIA'S NATIONAL POLICY ON WOMEN: The Canadian Contribution

■ To meet the challenges of bringing women more completely into the mainstream of Malaysia's social and corporate life effectively, the Malaysian government organized a two-day workshop analyzing the overall situation of Malaysian women. As a complement to this event, the National Council of Women's Organizations (NCWO) conducted nine state-level workshops to garner grassroots input into the policy planning process. These workshops were funded through a \$17,000 grant from the Canada Fund for Local Initiatives, which also assisted in the printing of a policy paper that presented the findings of the workshop.

The policy paper, the "NCWO Memorandum on the National Policy on Women", was submitted to the Malaysian government. Subsequently, major elements were incorporated into the government's National Policy on Women, a part of the sixth Malaysian five-year plan. The National Policy on Women presents a framework through which government ministries can address women's concerns within their areas of responsibility.

In formulating the policy paper, the NCWO addressed the full participation of women in the country's economic, social and political structures. It also recognized the multi-faceted role of women in community management work, and examined the integration of women into mainstream developmental programs to ensure greater sharing and equality of access to resources, information and opportunity. The objective is to facilitate people-oriented development which allows all members of society, especially women, to achieve their full potential.

Encouraging equal opportunity for women is an important policy fundamental of Canada's Official Development Assistance Program. Canada has pioneered the integration of women in international development programs at both the policy and operational levels. The assistance Canada provides the NCWO is one example of how practical efforts at the grassroots level can help affect policy development.





Sister Cecilia, from the Good Shepherd Welfare Home, receiving the Canada Fund contribution from High Commissioner Lambert

Canada Funds Women's Projects in Malaysia

Since 1987, the Canada Fund has been in partnership with the Malaysian-based National Council of Women's Organization (NCWO) to identify and implement projects which benefit women. The NCWO is an umbrella advisory organization with 47 affiliates from across Malaysia and a combined membership of over 500,000 women. The Canada Fund-NCWO Women in Development initiative is a component of the Canadian International Development Agency's policy to ensure the integration of women into Canada's development assistance efforts.

"Of the 27 projects so far suggested to us by the NCWO, we have funded 21, and total disbursements to date have exceeded \$175,000. Moreover, in each of the last three years, the number of projects approved has increased," noted High Commissioner Garrett Lambert during a cheque presentation ceremony at the NCWO offices.

Also present was the Deputy Minister of Transport, Datin Paduka Zaleha Ismail, who is President of the NCWO. In her speech, she mentioned that the contributions from the Government of Canada had enabled women's or-

ganizations in Malaysia to assist more effectively at the grassroots level. The funding has helped to bring about change, and has raised the awareness of specific problems affecting the lives of women and their families and communities.

Representatives from seven organizations were on hand at the ceremony to receive cheques totalling \$53,956 for their respective projects. These ranged from health projects to child and literacy classes in squatter areas.

Canada Supports Women's Issues in the Philippines

Two months before the Philippines celebrated International Month for Women in March, the Canadian Government, through the Women in Development (WID) Program of the Canadian International Development Agency (CIDA), sponsored a visit of a two-member WID Planning Mission. It was led by Louise Bergeron de Villiers, the Deputy Coordinator of Status of Women Canada.

Over a 15-day period, the team met with both governmental and non-governmental organizations involved in WID issues. These included the National Commission on the Role of Filipino Women (NCRFW) and WID NGOs to exchange experiences and to explore options to assist CIDA in planning a proposed \$5 million Women in Development Program. Meetings with selected senior officials in the Philippine Government were also held to discuss priority issues in the Philippine Development Plan for Women.

As a result of the mission, two activities were identified for likely CIDA funding: the assistance to NCRFW to develop training programs throughout the government of the Philippines on how to integrate gender issues in planning and policy development; and supporting a consortium of women's organizations in a range of projects to address gender inequality.

TRANSPORT

Malaysian Railway Establishes Sectoral Costing

■ CPCS Ltd, the Canadian railway engineering and management consulting company from Montreal, has a long association with traffic cost management in Malaysia's railway administration, Keretapi Tanah Melayu (KTM).

CPCS did costing studies in 1971, and again in 1973. They computerized the costing calculations in 1987. This resulted in the railway being able to assemble and examine the incremental cost of any freight or passenger service on very short notice.

Mr Abdul Rahim Osman, KTM Deputy General Manager, observed that the cost knowledge was easy to extract from the computer model. It enabled the railway to focus attention on profitable and non-profitable lines of business. In fact, in 1988, KTM was able to produce an operating profit for the first time in many years.

As the next step, components of internal efficiency in KTM were examined in a study made possible by contributions under the Industrial Cooperation Program of the Canadian International Development Agency (CIDA). As a result, the cost and revenue performance of four divisions of KTM are prepared on the basis of accurate internal costs. Printed results from the computer reflect any improvements made by a division throughout the year. These



Bill Denning, transport economist, and Mike Nicoll-Griffith, Senior Consultant, management informations systems, both of CPCS, with the KTM team

show as "paper profits", but are real in the sense that, added together, they demonstrate the overall corporation's performance.

Although other railways in the world have transformed their corporations by creating sectoral subsidiaries, the Malaysian solution achieves the same effect without dividing the railway administration into many parts. "We are still one corporation," says Puan Mahanom Johari, Director of Finance, "and we have a single accounting system. What CPCS has done is to give our Divisional Directors a tool that will measure improvements made in efficiency during the year. We know this is leading towards improvement of the performance of each of our sectoral parts."

ENVIRONMENT

TOWARDS PUBLIC AWARENESS ON THE ENVIRONMENT

■ One of the key elements in adequate environmental protection lies in proper training and education. This is a fundamental objective of the Malaysian Forum for Environmental Journalists (MFEJ). In a pioneering effort, the MFEJ embarked on a project to produce a handbook that will serve as an important media reference tool, in recognition of the integral role the media plays in disseminating balanced, comprehensive information on the environment.

The printing of 1,000 copies of the handbook, entitled "Reporting on the Environment: A Handbook for Malaysian Journalists", was made possible through a \$2,400 Canada Fund contribution.

The handbook was launched by the Minister of Science, Technology and Environment, Datuk Amar Stephen Yong, in December 1989, in conjunction with the regional seminar for environmental journalists on the theme "The Environment and Sustainable Development".

During the launching, High Commissioner Lambert noted, "If efforts towards rectifying national and transboundary environment problems are to be anything more than positive thoughts and good intentions, mobilizing public opinion through informed, reliable and constructive reporting is indispensable."

The MFEJ, established in 1987, is a non-profit organization with members from the media of Peninsular Malaysia.

Datuk Amar Stephen Yong receiving a copy of the handbook "Reporting on the Environment: A Handbook for Malaysian Journalists" from High Commissioner Lambert



HUMANITARIAN ASSISTANCE



Ambassador Hees was given a warm welcome by the displaced persons at Site 2

DONATION FOR DISPLACED KHMERS

On January 19, 1990, the Honourable George Hees, Ambassador at Large and Personal Representative of the Prime Minister for Food Aid, presented on behalf of the Government of Canada a donation of humanitarian assistance to displaced persons at Site 2 near Aranyaprathet on the Thai-Cambodian border. The 1989/90 donation to Site 2 consisted of cloth and sewing materials.

This follows a similar donation in December from the Government of Canada to Green-Hill Site B near Surin on the Thai-Cambodian border.

Annual humanitarian assistance for the purchase of civilian supplies for the two non-communist partners in the Coalition Government of Democratic Kampuchea began in 1984. The donations to Site 2 and Site B, which are administered by the Canadian Embassy's Canada Fund, not only provide much needed supplies to displaced persons on the border but are a concrete recognition of the burden that has been borne by the Thai Government in providing sanctuary to Khmers fleeing the ongoing conflict in Cambodia.

READER SURVEY

Are we giving you what you want to read?

CANADA-ASEAN's goal is to inform you of the tremendous range of activities undertaken by Canada and Canadians in the ASEAN region. The subject matter ranges from government-to-government activities to trade to culture, and everything in between. Are there other subjects you would like to hear about?

Please take a moment to fill out the questionnaire below, and mail it to the Editor at the address below.

Mail to: The Editor
Canada-ASEAN
Canadian High Commission
P.O. Box 10990
50832 Kuala Lumpur
Malaysia

1. Approximately how many people read this copy of Canada-ASEAN? _____
2. Of the following subjects, would you like to see more, less, or about the same amount of coverage?

	more	same	less
government activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
development/humanitarian assistance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
culture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
workshop/exhibitions/seminars	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
trade and "Focus on Trade"	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
science and technology	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
education	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Are there other subjects you would like to see covered in Canada-ASEAN? _____
4. Comments _____
5. (optional) name: _____
 occupation: _____
 address: _____

JOINT VENTURE MISSION TO SINGAPORE



One of the best indicators of the strength and vigour of the Singapore economy is the demand on the part of Singapore companies for joint ventures and new sources of supply. This was reflected in the tremendous interest generated by a trade and joint venture mission of companies from the Toronto area that visited Singapore in early December.

The mission was led by Mr Mohsen Rifaat of the International Trade Centre, Toronto. It comprised five company representatives, covering a wide range of fields – automotive chemicals, paper products, vacuum furnaces, factory shopfloor management software, partial discharge analyzers and components for Caterpillar heavy equipment.

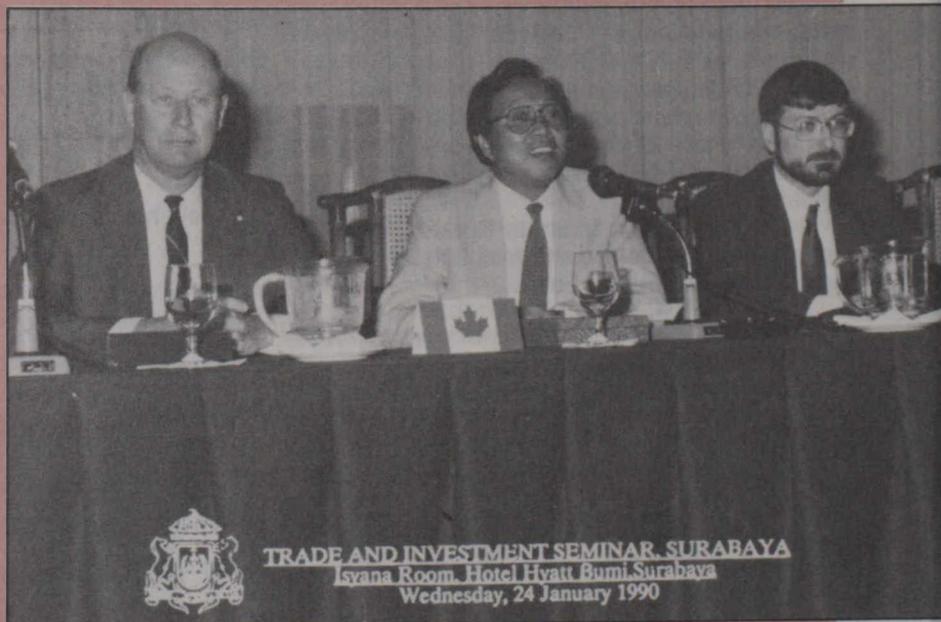
After being briefed by the Commercial Division of the Canadian High Commission, Singapore, the mission members met with the Singapore Economic Development Board to learn of the government's economic plans and priorities. Individual company representatives then met a wide range of Singapore business people. All of the representatives reported a great deal of interests in their products and technology. One company, Canada Tractor, announced sales within three days of over C\$250,000. Another company now has to choose between three highly impressive potential joint venture partners.

The combination of well-developed infrastructure, communications and financial links, and trading expertise contributed greatly to the mission members' favourable impression of Singapore as a place in which to do business. All of the mission members identified Singapore as likely choice for a representational office when their regional business could justify a stronger presence.

Members of the trade mission. Seated from left: Kris Panday, Canadian High Commission; Kamy Shaikh, Brencor Chemicals Ltd; Ken Coelho, Canadian International Technology Exchange Corporation (CITEC); Mohamed Azzam, G.A. Paper. Standing from left: Goh Yeow Tin, Association of Small and Medium Enterprises; Mohsen Rifaat, International Trade Centre, Toronto; Peter Kantardziski, P.E.S. International; Peter Ho, Canadian High Commission; Koon-Lin Yap, Canada Tractor.

Trade and Investment Seminars in Indonesia

The Canadian Embassy in Jakarta organized successful trade and investment seminars in Surabaya and Medan in conjunction with local chapters of the Indonesian Chamber of Commerce and Industry (KADIN). In Surabaya the session was chaired by KADIN Deputy Chairman, Basroni Rizal. He is flanked by D. I. Campbell (left) and Roger Belanger, both of the Commercial Section of the Canadian Embassy.



TRADE AND INVESTMENT SEMINAR, SURABAYA
 Isyana Room, Hotel Hyatt Bumi, Surabaya
 Wednesday, 24 January 1990

SEAN BRADY ELECTED PRESIDENT OF THAI-CANADIAN BUSINESS CLUB



From left, the newly elected TCBC vice-presidents Norarit Komalarajun and Kusa Panyarachun, Pat Carney, Mechai Viravaidya, Sean Brady and Canadian Ambassador to Thailand, Lawrence Smith

At its first Annual General Meeting held recently in Bangkok, the Thai-Canadian Business Club elected a new Executive Board headed by Mr Sean Brady, Canada's former High Commissioner to Singapore and currently President of PSB Land Co. in Bangkok.

Mr Brady served in the Canadian Embassy in Bangkok from 1977-81 and had diplomatic postings in Hong Kong and New York in addition to serving as the Official Spokesman of Canada's Department of External Affairs from 1984-86. He was Canada's High Commissioner to Singapore from 1986-89 before leaving government service to go into business in Thailand in July 1989.

Addressing the Annual General Meeting was Mechai Viravaidya, Secretary General and founder of the Population and Community Development Association, who spoke on "Thai Business Initiatives in Rural Development". Also in attendance was Pat Carney, Economic Advisor to Canadian Airlines International, who was in Thailand to attend the Williamsburg Conference in Chiang Mai.

Trade Mission from Quebec Visits Manila

In February, a trade mission sponsored by the Government of the Province of Quebec visited Manila. The mission, led by Yves Cousineau, Economic Counsellor in the Quebec Ministry of International Trade, consisted of representatives of five prominent Quebec companies involved in resource development and education.

The participating companies were Thibault Experts Conseils, Société de Développement International Desjardins, Enerquin Air Inc., Biothermica International and Consulab.

During its six-day visit, the mission held meeting with government officials and representatives of the Asian Development Bank. Discussions were also held with Philippine companies which were active in resource development, as well as educational institutions.

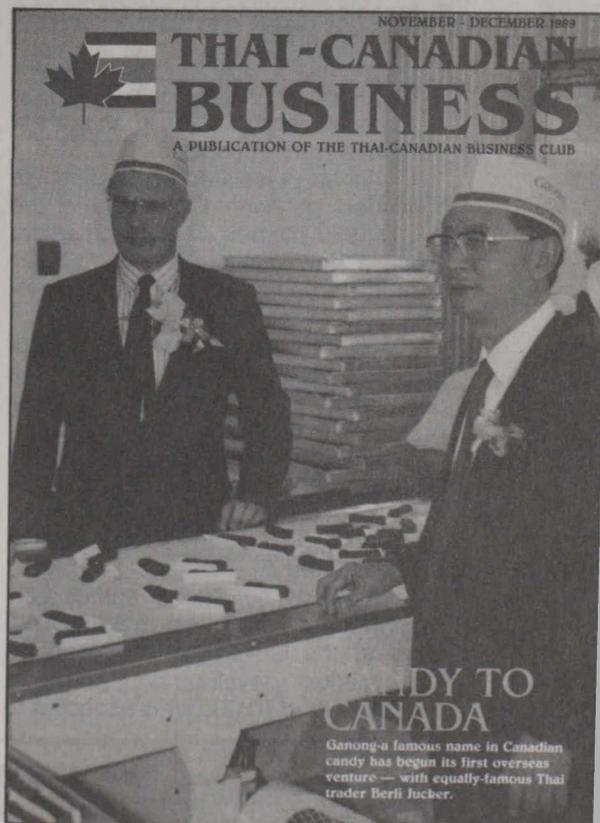
The mission reflected Canada's continuing commitment to the expansion of trade relations with the Philippines, following President Corazon C. Aquino's successful visit to Canada last November.

THAI-CANADIAN BUSINESS

In early November 1989, the Thai-Canadian Business Club (TCBC) launched its new bi-monthly magazine, Thai-Canadian Business.

Thai-Canadian Business will be distributed to all members of the TCBC as well as to government offices, Chambers of Commerce, Boards of Trade, trade associations and agencies in both Thailand and Canada. In addition, the magazine will be found on all flights of Canadian Airlines International leaving Bangkok.

The cover story of the inaugural issue was the opening in Bangkok, on October 31, 1989, of Ganong Limited's chocolate and candy factory, a joint venture between a 117-year-old Canadian company, Ganong Bros Limited, and a 107-year-old Thai company, Rubia Industries Ltd. Currently, the joint venture company, Ganong of Thailand is exporting 100% of the production of its three confectionery products to Ganong in Canada.



In the second of our continuing series of features highlighting trade issues, we are pleased to present two articles reprinted from the Government of Canada publication *CanadExport*.

THE CANADA-USA FREE TRADE AGREEMENT ONE YEAR LATER

■ "The implementation of the Free Trade Agreement (FTA) is proceeding in an orderly fashion."

That's how Minister for International Trade John C. Crosbie outlined last month the Government's view on the first year of the FTA.

The Minister's assessment:

- legislation, regulations, processes and institutions are all in place;
- tariff cuts have been made on schedule;
- provisions for temporary entry of business visitors have been expanded;
- technical working groups are up and running; and
- preparations are being made for negotiations on subsidies and trade remedies which will build on current multilateral discussions.

Although isolated trade disputes continued between Canada and the U.S. in 1989, the new dispute settlement process now ensures these disputes are settled in a timely and effective manner.

"While these disputes get a lot of publicity, they only account for about one per cent of our total \$200 billion worth of bilateral trade," Crosbie said.

He also expressed satisfaction with the 1989 agreement to accelerate the elimination of tariffs on 400 items covering approximately \$6 billion worth of bilateral trade.

Crosbie noted the enthusiastic response of small and medium-size firms to the Government's expanded U.S. market development program, with more than 10,000 firms expected to

participate during the 1989-90 fiscal year. He urged other potential Canadian exporters to take advantage of these programs.

Citing recent figures, Crosbie said that the Canadian economy is adjusting well to the many forces of change, including the FTA:

- 193,000 new jobs were created for Canadians in 1989;
- investment in non-residential construction, machinery and equipment is up 12 per cent for the first three quarters of 1989 over the same period in 1988; and,
- Canada's balance of trade for November was back in the black, with a surplus of \$679 million.

He admitted that these figures are not directly attributable to the FTA – obviously there are many other factors at work when business people make decisions.

But they are indications that the federal government's strategy to improve Canadian economic competitiveness – the FTA being one of its cornerstones – is going in the right direction.

Other aspects of this strategy include:

- Canada's participation in the Uruguay Round of Multilateral Trade Negotiations – its aim is to reduce the barriers to international trade; and,
- domestically, measures such as deregulation, privatization and reduction of inter-provincial trade barriers, and improving the climate for foreign investment.

This strategy is supported by the

Organization for Economic Cooperation and Development (OECD). Quoting the OECD's 1989 review of the Canadian economy, Crosbie pointed out that "Output growth in Canada has continued over the last 18 months at a rate second only to Japan among the major OECD economies, while employment growth was the most rapid of any of these countries."

In summary, one year into the the FTA, it is evident that:

- the policy rationale for the deal remains sound;
- implementation is going on track;
- it is too early to make a definitive judgement of the economic impact;
- the economy is adjusting well to the many forces of change, including trade liberalization;
- business and government are making effective use of the trade dispute settlement process;
- the tariff acceleration process is a notable success; and
- Canadian business is showing keen interest in developing U.S. market opportunities.

The Minister also released two studies, one by an independent consulting firm, Informetrica, which concludes that it is too early to make a definitive assessment of the economic impact of the FTA.

The second study is a detailed chapter-by-chapter report, entitled **Canada-United States Free Trade Agreement: Implementation**. For copies of this EAITC study, contact Info Export, Ottawa, Ontario, Canada KIA 0G2.

FREE TRADE AGREEMENT

PRIMARY AND GOODS-PRODUCING INDUSTRIES

For the key primary industries – agriculture, mining, fishing and logging – the main effects of the Free Trade Agreement (FTA) derive from more secure access to the U.S. Market and liberalized investment rules.

For agriculture, Canada's supply management programs remain in place under the FTA, although there is pressure for wide-spread reform of agricultural policies centred in the multilateral General Agreement on Tariffs and Trade (GATT) talks.

In mining, most bilateral trade was duty-free prior to the FTA, but the sector now faces more favourable supply channels to the United States.

Primary fishing and logging activities are unaffected by the general provisions in the FTA, although the prospects for downstream processing segments have been enhanced.

Some bilateral disputes, such as the West Coast salmon and herring issue have been referred to the Canada-U.S. Trade Commission for resolution instead of to the GATT.

In the manufacturing sector, in-

dustries will benefit from the gradual phase-out of tariff barriers, the harmonization of many technical standards between Canada and the United States, more secure market access with the FTA's dispute settlement mechanism, and an improved climate for direct investment in both countries.

ENERGY

Natural gas and natural gas pipelines: Natural gas offers the prospect of very rapid growth, based almost entirely on increased exports to the United States. U.S. natural gas demand and prices are expected to increase significantly during the 1990s. One of the major bargaining chips used by the Canadian government to make the FTA more attractive to the United States was a relaxation of Canada's conservative energy export policies and regulations.

Had these policies not changed, Canada's present level of natural gas exports would have been the maximum allowable during the coming decade. Instead, with more assured supply under the FTA, there are excellent chances that natural gas exports could double from current volumes as early as 1994-95, if the necessary expansions to pipeline capacity are completed.

Electric power: Demand growth is expected to continue to outpace planned additions to power generating capacity in North America during the 1990s. The FTA, and the accompanying increased regulatory openness in Canada to electric power exports, offer good potential for Canadian exports of hydro-electricity. However, limited capacity and environmental concerns over the construction of new projects will likely limit export growth through the medium-term.

Oil: The key factor driving the Canadian oil industry is the level of world crude oil prices. The depletion of conventional crude oil reserves in Canada has resulted in gradually declining production, a trend which will not be reversed unless oil prices rise higher than our current long-term forecasts envisage.

In 1989, Canadian net exports of crude oil were slashed in half, and Canada could become a net importer within a few years. For crude oil, the FTA is likely to remain a neutral factor for the foreseeable future.

METALS

Primary steel: The industry is facing a cyclical downturn in its main downstream markets, especially automobiles and consumer durables. Since 25 per cent of the steel produced in Canada is exported to the United States, continued access to that market is vital to this industry.

It is undoubtedly partly thanks to the FTA that Canada was not included in the recently extended U.S. Voluntary

Restraint Agreement (VRA) program. VRAs limit imports of steel into the U.S. from most offshore producers.

Lead and zinc smelting: Metals face somewhat softer market conditions in the next few years, due to more sluggish growth in world demand and increased supply. The Canadian lead and zinc smelting industry is being monitored under the provisions of the Baucus-Danforth amendment, which was part of the U.S. implementation legislation for the FTA. However, a formal trade action is highly unlikely.

MANUFACTURING

Cars and trucks: The Canadian motor vehicle industry is facing declining demand this year and next as a result of slower growth in consumer spending in North America. At the same time, industry capacity is rising due to the start-up of several new foreign-owned "transplant" operations.

Rationalization of vehicle production facilities is anticipated to continue, leading to the closure of the least efficient plants in the United States and Canada.

The FTA resulted in a strengthening of the North American value-added safeguards previously contained in the Auto Pact. On balance, no major shift in automotive trade patterns between Canada and the United States is expected to occur.

Automotive parts: The Canadian trade balance in automotive parts has been worsening rapidly in recent years as a result of rising global competition in the industry and the high value of the Canadian dollar.

Declining North American motor vehicle production in Canada and the United States this year and next, and the establishment of new foreign-owned parts manufacturing operations, mostly in the United States, are expected to intensify competitive pressures in the sector.

North American content rules have been strengthened under the FTA, which should encourage a rise in demand for original equipment parts. However, the progressive removal of tariffs on replacement parts is expected to increase import penetration in this segment of the market.

Replacement parts manufacturers are vulnerable since Canada's small domestic market has been protected in the past by tariff barriers.

Wood products: During the next few years, the outlook for the Canadian wood products industry will depend primarily on the level of North American residential construction activity, the Canada U.S. exchange rate and the availability of timber.

The FTA will have only a limited impact on the industry since the terms of the Memorandum of Understanding on softwood lumber between Canada

and the United States, signed in December 1986, override the provisions of the FTA.

Softwood lumber accounts for the bulk of bilateral trade in wood products and is not presently subject to tariffs, although there is a 15 per cent export tax applied to certain provinces under the Memorandum of Understanding.

Existing tariffs on other wood products will be phased out over a period of either five or 10 years.

The impact will be greatest on the converted wood products segment in Canada, with substantial rationalization and restructuring of capacity expected to take place as producers adapt to a more competitive environment.

Finally, the establishment of a bilateral dispute settlement mechanism (DSM) under the FTA could enhance the security of access to the U.S. market.

The DSM will ensure the more consistent application of the trade laws in the two countries, limiting the kind of political negotiations that led to the Memorandum of Understanding.

Pulp and paper: The main issues affecting the Canadian pulp and paper industry during the next few years will be of a global nature. The industry will be affected by the substantial additions to capacity that are slated to come on stream in many products categories during the next two years and an anticipated slowing of global demand growth.

The exchange value of the Canadian dollar will also be an important factor affecting the industry, since over three quarters of its output is exported.

The bulk of bilateral trade in paper products between Canada and the U.S. is presently free of tariffs (i.e., newsprint and market pulp). The tariffs that are levied fall on products such as fine papers, containerboard and converted paper products and will be phased out over five years under the FTA. Less efficient producers of these products will be under pressure to restructure their operations to improve their competitiveness as competition from U.S. producers intensifies as Canadian tariffs are phased out.

Furniture: In the near term, the major issue affecting the Canadian furniture industry will be the anticipated slowdown in new home construction, and weaker growth in consumer expenditures on durable goods.

The FTA will have a significant impact on the industry as tariffs are phased out over a five-year period.

In general, smaller Canadian furniture manufacturers have significantly lower productivity than their larger U.S. counterparts. Consequently, Canadian firms will need to modernize and rationalize production if they are to meet the competitive challenges from south of the border under Free Trade.

to be continued

SEMINARS, CONVENTIONS, EXHIBITIONS

Canadian Foods and Beverages Take Centre Stage

Canada took centre stage in Makati, the Philippines' financial centre, with the launching of the Canadian Food and Beverage Exhibit from November 22-25, 1989. Canadian Ambassador Andre S. Simard and Mrs Tan Bing Suan of Jollibee Corporation, the top local hamburger chain, opened the show which introduced a wide sampling of Canadian food products to Philippine food importers, distributors and the general public.

Canadian cuisine and food products were simultaneously featured at The Lobby and Old Manila Restaurant of the Peninsula Hotel and the Landmark Supermarket. The Beverly Hills Deli Restaurant also featured Canadian dishes for three weeks.

The exhibit was a joint project of the Canadian Embassy, the Manila Peninsula Hotel, Cathay Pacific, Air Canada and The Landmark.

Ambassador Simard and Mrs Tan Bing Suan cutting the ribbon to open the Canadian Food and Beverage Exhibit



Senator Alberto Romulo, guest-of-honour at the opening of the 7th Philippine International Trade Fair, being briefed by Commercial Officer Byron Lee (left) and Counsellor David McNamara at the Canadian booth

CANADA AT PHILIPPINE TRADE FAIR

Canada had an opportunity once more to showcase its range of expertise at the 7th Philippine International Trade Fair held at the Philippine International Convention Centre from January 29 to February 4, 1990. A display by the Embassy's Commercial Section, featuring Canadian activities, products and services available in the Philippines, enabled local agents of Canadian firms to establish contacts with interested Filipino businessmen. T. Y. de Leon, the Philippine distributor of popular British Columbia apples, supplemented the Canadian Embassy exhibit and his display became a must-see destination for visitors.



ELECTRIC INDONESIA '89



Expert Staff to Minister of Mines and Energy for Electricity, Ir. Yursan Hamid is greeted by Canadian Ambassador to Indonesia, Ingrid Hall, at the Canadian Information Booth at the opening of Electric Indonesia '89. The exhibition was held at the Jakarta Fairground on November 22. Also shown is Mr R. Butler of West Coast Engineering, who was in Jakarta as a member of the Power Transmission and Distribution Mission. The mission, jointly organized by the Departments of Foreign Affairs and Industry, Science and Technology of Canada, visited Jakarta from November 20-23.



Susan Hirst (right) meeting Mrs Teresa Escoda-Roxas, President of the Cultural Centre of the Philippines, during a luncheon hosted by Ambassador Andre S. Simard (far left)

Soprano Represents Canada at Bamboo Organ Festival

■ Susan Hirst, a mezzo-soprano from Canada, was a featured artist at the International Bamboo Organ Festival held in Manila on January 31-February 17. She performed in the presentations of J.S. Bach's Mass in B Minor. Ms Hirst interpreted the two-part series of Bach's acclaimed composition with organist Guy Bovet, the Las Pinas Boys Choir, the Manila Chamber Orchestra and a host of other international artistes.

The Bamboo Organ Festival is built around a 16th-century bamboo organ located in an old church in a Manila suburb. This unique, all-bamboo instrument had fallen into disrepair for many years before it was fully restored in 1975. Since then it continues to astonish music lovers to this day with its rich and haunting tones. And the annual festival of baroque music features performance by renowned artistes from all over the world.

Ms Hirst's visit was sponsored by the Canadian Government, the International Bamboo Organ Festival and Northwest Airlines. In between performances at the Festival, she held a Master Class with voice students at the University of Santo Tomas' Conservatory of Music and met with her counterparts and other personalities in the Philippine music scene.

CANADIAN ARTIST EXHIBITS IN JAKARTA

■ Canadian artist Ken Pattern held an exhibiton of his works at Erasmus Huis in Jakarta from January 25 to February 3. The exhibition was funded by the Government of Canada with organizational support provided by the Canadian Embassy in Jakarta.

The Canadian Ambassador to Indonesia, Ingrid Hall, hosted an opening night gala reception which was attended by over 400 invited guests. Erasmus Huis reported that this was the largest turnout to inaugurate an art exhibition in its history. Over 2,000 people viewed the exhibition during its run, and

many more read reviews in Indonesian newspapers and saw a 10-minute special on the artist and his works over Indonesian television.

Indonesian audiences were especially fond of Mr Pattern's representational scenes of the Rocky Mountains, as well as his surrealist series entitled "Iceberg in Paradise", which metaphorically depicts the artist's first impressions of adapting to the tropical climate of Indonesia. Also on display were selections from his lithographs and pen and ink drawings.

Ken Pattern and Ambassador Hall at opening night of his one-man exhibition



The Judith Marcuse Dance Company

Dance Company Debuts in Singapore

■ The Judith Marcuse Dance Company, from Vancouver, British Columbia, made its Asian debut in Singapore on December 5-6. They were in the island state to participate in the Singapore Dance Festival.

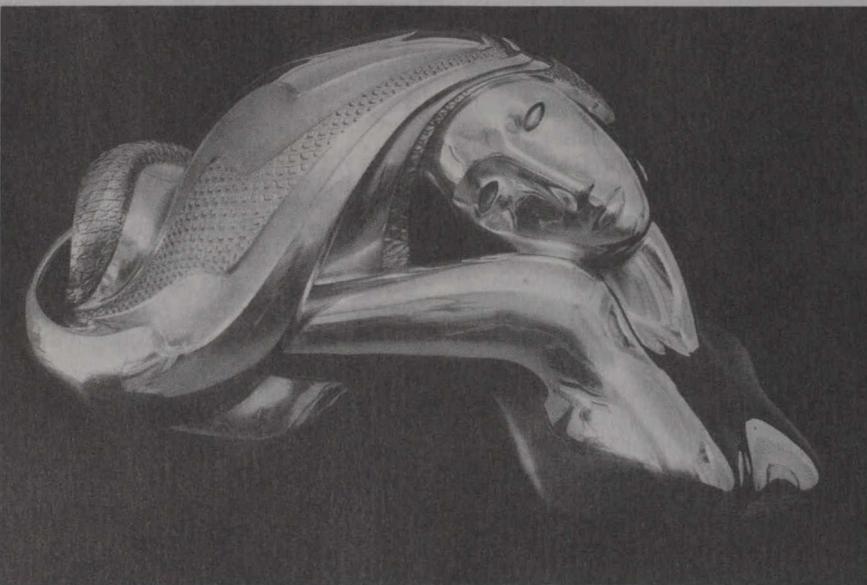
The dance company was easily the highlight of the festival, performing to near capacity houses. According to a major newspaper in Singapore, "they succeeded easily in bridging the gap between entertainment and art." Audience reaction to Marcuse's modern choreography was positive and enthusiastic.

The opening night was attended by the Singapore Minister of Trade and Industry, Brigadier-General Lee Hsien Loong, and former Canadian Minister of International Trade, Mr James Kelleher, who was in Singapore on private business.





1. *Datuk Dr Siti Zahara, Katherina Minardo and High Commissioner Garrett Lambert at the opening of the Minardo exhibition*
2. "Il Giorno"



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MINARDO EXHIBIT AT MALAYSIAN NATIONAL GALLERY

Internationally renowned Canadian sculptor and engraver Katherina Minardo was featured at an enthusiastically received solo exhibition at Malaysia's National Art Gallery in March. The theme of the exhibition was "Woman", and it featured a series of finely executed bronze sculptures and prints. It was opened by Datuk Dr Siti Zahara, Deputy Minister in the Prime Minister's Department.

A resident of Montreal, Ms Minardo has been featured in exhibitions in Sabah, Malaysia, and Brunei Darussalam, as well as Italy, France, Germany, Malta and the Royal Academy in London, England.