

## Canada Contributes to ASEAN Symposium on Law of the Sea

"THAT the Law of the Sea is a very important subject matter for every nation can hardly be over emphasized. Indeed, too much is at stake." With this forceful statement Dr. Arun Panupong, Thai Deputy Minister of Foreign Affairs began his opening address to the ASEAN region's first symposium on the Law of the Sea (LOS) in the 1980s.

The symposium, entitled "The New

national Development Research Centre (IDRC) through its Asian regional office in Singapore.

The 70 participants and observers in attendance from around the world rose to the challenge set by Dr. Arun with a stimulating exchange of views and information across a whole range of issues from living and non-living resources to management of the Exclusive Economic

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Notable among the participants in the ASEAN region's first symposium on the Law of the Sea held in Bangkok are (l-r) Prof. Douglas Johnston, Senator Arturo Tolentino, Dr. Edgar Gold, Dr. Mochtar Kusumaatmadja, Canadian Ambassador Fred Bild, and Dr. Arun Panupong.

Law of the Sea in Southeast Asia: Developmental Effects and Regional Approaches," was held in Bangkok from December 9-11, 1981 under the sponsorship of the Institute of Asian Studies of Chulalongkorn University in co-operation with Dalhousie University, Halifax, Nova Scotia, Canada.

Co-ordinators of the symposium were Dr. Phiphat Tangsubkul of Chulalongkorn University and Dr. Edgar Gold, Executive Director of Dalhousie's Ocean Studies Program. Funding for the conference was provided by the Canadian Inter-

Zones (EEZ) and consideration of approaches to development strategies in the region.

The symposium was the first attempt within ASEAN at a non-political level to examine the regional implications of the draft LOS convention and to identify areas of research that would reconcile the requirements of Southeast Asian countries.

Senior figures from throughout ASEAN participated, most notably Foreign Minister Mochtar Kusumaatmadja of Indonesia and Senator Arturo



Tolentino, the Philippines' Minister of State for Foreign Affairs.

Foreign Minister Mochtar, in a keynote address during the opening session of the conference, stressed the fact that much had been accomplished already by the decade-long deliberations of the Third United Nations Conference on the LOS (UNCLOS III), including the recognition of the regime of archipelagic states. What remained to be done was to complete a framework for co-operation within the ASEAN region.

Senator Tolentino, who has led the Philippines' delegation at three full UN conferences on the Law of the Sea spanning the last 30 years, delivered a call in his closing address for all concerned to exert effort to finally conclude the much sought after UNCLOS III convention.

As a result of the symposium it is expected that future co-operation in research and technical exchanges on LOS matters will ensue between Canada and the countries of ASEAN.

## New LOS: Similar Issues for Canada and ASEAN

THE third United Nations Conference on the Law of the Sea (UNCLOS III) is drawing to a close with the "final" session scheduled to commence on March 8, 1982 in New York. Whether the delegates succeed in achieving a treaty at the last minute or not, the effects of UNCLOS III on the ASEAN region will be profound.

Before the conference first convened in Caracas in 1973 the ASEAN countries were surrounded by "high seas". Today the concept of Exclusive Economic Zones (EEZ) extending 200 nautical miles from the coastline is a generally accepted principle of international law. The effect upon fisheries patterns, exploration for oil and gas, and environmental controls will be significant.

Moreover, the regime of territorial seas has been extended from the former three-mile to a 12-mile limit now claimed by over 80 countries. As a consequence, a large number of straits now lie within the territorial seas of neighbouring states. These straits, referred to as "International Straits," will be governed by the legal regime provided for in the new Convention on the Law of the Sea when it comes into force. This is the case for such great International Straits as the Straits of Malacca and Singapore, which lie within the territorial seas of Malaysia, Indonesia and Singapore.

The effect of the 12-mile limit on the archipelagos of the ASEAN region has been equally profound. The thousands of islands which comprise Indonesia and the Philippines, each potentially with its own territorial sea and EEZ, presented

a conceptual problem of wide reaching proportions. Accordingly, a determined effort initiated by Indonesia in 1957 was renewed to convince the UNCLOS III of the need for an archipelagic doctrine that provides these states with a baseline around the outermost island groupings. Success was achieved and now these two ASEAN countries have rights and responsibilities over vastly larger areas of the Pacific and South China Sea.

Accompanying this extension of jurisdiction is a need for the countries concerned to expand their knowledge of the ocean, its living and non-living resources, and the methods required to exploit them while maintaining sufficient stocks for future generations. Meanwhile, the constant threat of man-made pollution must be confronted and overcome.

Here similarities between the ASEAN region and Canada arise. As the second largest country in the world in area and fronting on three oceans, Canada has the world's longest coastline. Consequently a myriad of jurisdictional problems occur between Canada and her neighbours. Three boundary negotiations have been in progress simultaneously: with the United States with respect to the Gulf of Maine in the Atlantic, which has now been referred to the International Court of Justice, Dixon Entrance at the northern end of Vancouver Island in the Pacific, and the Alaska-North West Territories boundary in the Arctic; with Denmark regarding the Lincoln Sea, north of Greenland, and Ellesmere Island; and with France in respect of the Islands of St. Pierre and Miquelon off southern Newfoundland.

The 200-mile zone that Canada must now exploit and regulate in the Atlantic has all the size and complexities of the Gulf of Thailand. Both are vast fishing grounds requiring careful regulation but offering the potential for sustained fisheries wealth. The significance of this is evident when one considers that Southeast Asia produces 10 per cent of the world's fish while Canada is the world's largest fish exporting country.

Canada has an Arctic archipelago, which poses unique problems of administration and environmental protection. Exploration and exploitation of oil and gas in the Canadian Arctic and prospects of increased navigation in Arctic waters subject to Canadian sovereignty have pointed to the need for measures to protect this fragile ecosystem. As a direct result Canada established very strict conditions for the transit of oil and other potential pollutants in all her waters plus a management and control system to monitor such vessels.

The problems of understanding the oceans and protecting their environment have also been encountered in Canada. Pollution incidents involving tankers

along the coast of Nova Scotia in 1971 and 1976 led to the world's second largest ocean research centre being developed at the Bedford Institute of Oceanography in Dartmouth, N.S., to deal with the problems of establishing the parameters of the ocean and attempting to find solutions to the endless series of problems which arise from its use by man.

Canada's oil and gas industry is active both inland and offshore and Canada's largest oil discovery was made in the Hibernia field 150 miles south east of St. John's Newfoundland. The issues involved in offshore resource exploitation, so familiar to Southeast Asia, are thus shared and understood in Canada.

What significance do all of these similarities have for the ASEAN countries?

Firstly, it means that many interests are shared between Canada and ASEAN in international fora. Indeed close consultations have taken place at many levels including those between Ambassador Tommy Koh of Singapore, as President of UNCLOS III, and the chairman of the key drafting committee, Ambassador Alan Beesley of Canada.

Canada has developed computer-based systems for fisheries management in both the Atlantic and Pacific which could be of great benefit to the resolution of fisheries problems in Southeast Asia.

Highly sophisticated Vessel Traffic Management Systems (VTMS) have been developed for all of Canada's major ports and the 4,320-kilometre-long St. Lawrence Seaway. The Vancouver/Seattle joint system, for example, uses shore mounted automatic radar stations and microwave relays to effect positive control of shipping from 200 miles outside the port limits. There is obvious relevance for the introduction of this type of Canadian-devised system in the heavily travelled shipping lanes such as the Straits of Malacca and other exploration areas of Southeast Asia.

Canada is also a world leader in ocean technology. Everything from automatic marine radar activated buoys, to offshore drilling rigs, to deep diving manned and unmanned submersibles and a range of oil-spill-cleanup equipment is produced to meet the needs of Canadian ocean development. Their application in Southeast Asia is a matter of adaptation and technology transfer.

Finally, the questions of basic research and technology transfer have been addressed in Canada. The basic research capability with respect to the Law of the Sea was well demonstrated in the recent symposium in Bangkok. With assistance from Canadian academics, Professors Douglas Johnston and Edgar Gold and their Dalhousie Ocean Studies Research Program, a groundwork was established



for future development of the Law of the Sea in ASEAN.

At the September, 1981 Commonwealth Conference in Melbourne, Canadian Prime Minister Pierre Trudeau announced the establishment of an International Centre for Ocean Development (ICOD) in Canada. This Centre will act

as a complement to the International Development Research Centre (IDRC) by operating on the same basis and assuming responsibility for Canada's efforts in aiding ocean development in the Third World. One of the key focal areas of the work undertaken by ICOD will be the Southern Pacific.

The effects of UNCLOS III on both ASEAN and Canada have been and will be considerable. A basis for co-operation exists across the whole range of Law of the Sea and ocean development questions between the countries of ASEAN and Canada. It remains for this co-operation to be pursued.

## Canada-ASEAN Developments

### What the Economic Co-operation Agreement Says

As reported in our October, 1981, issue an Economic Co-operation Agreement between Canada and ASEAN was concluded in September, 1981. The agreement calls for increased co-operation in industrial, commercial and developmental spheres and will enhance the possibilities for transfer of Canadian technology to ASEAN. Speaking at the signing ceremony held at the Canadian Permanent Mission to the UN, Canada's Secretary of State for External Affairs Mark MacGuigan stressed the importance Canada attaches to its relations with ASEAN and reasserted Canada's interest in expanding relations with the Southeast Asian region. The text of the agreement is reproduced below.

THE GOVERNMENTS of the Republic of Indonesia, Malaysia, the Republic of the Philippines, the Republic of Singapore and the Kingdom of Thailand, member countries of the Association of Southeast Asian Nations (hereinafter referred to as "the member countries of ASEAN") of the one part and the Government of Canada (hereinafter referred to as "Canada") of the other part,

INSPIRED by the traditional links of friendship between the member countries of ASEAN and Canada as well as their own desire to develop and broaden their economic co-operation generally and contribute to the growth and prosperity of their respective economies;

NOTING the desire of the member countries of ASEAN to strengthen the process of their economic co-operation;

RECOGNIZING that the consolidation, deepening and diversifying of economic relations, namely, industrial, technical, financial, commercial and development co-operation generally on the basis of mutual benefit will be an important element of such co-operation;

RECOGNIZING also that closer, broader and diversified economic links including joint ventures between their respective entities are of mutual benefit to both the member countries of ASEAN and Canada; and

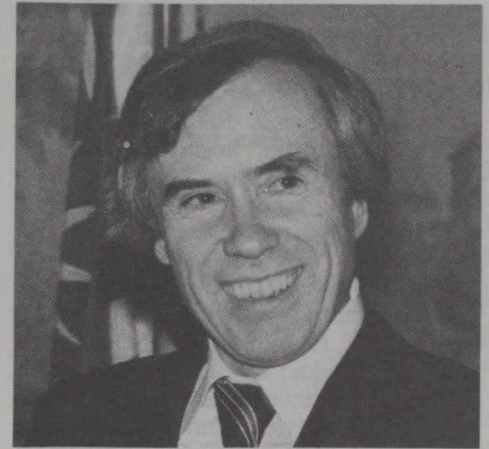
DESIRING to supplement their bilateral relations;

HAVING agreed as follows:

**ARTICLE I—Industrial Co-operation:** The contracting parties shall promote and enhance industrial co-operation between the member countries of ASEAN and Canada to the greatest

possible extent in accordance with their respective economic and development policies and priorities. To this end, they shall make every effort to encourage greater co-operation on mutually advantageous terms between their respective governments, government agencies, companies and other entities in the industrial sector by means of bilateral agreements and arrangements, inter-agency agreements and arrangements, joint ventures as well as other forms of co-operation including transfer of technology through licensing arrangements and training and commercial exchanges. They also agree to encourage co-operation and participation of Canada, including its business and financial institutions, in ASEAN regional projects.

**ARTICLE II:** The contracting parties shall, as appropriate, exchange views regarding their priorities at both the national and the regional levels for industrial co-operation between the member countries of ASEAN and Canada. Such co-operation shall, inter alia, include: the transfer, adaptation and development of technology and related training including in-plant training; strengthening of research and development facilities in the member countries of ASEAN through various forms of technical co-operation; research, pre-investment and pre-feasibility studies and other forms of project preparation; greater participation and increased investment in the industrial development of the member countries of ASEAN; co-operation between the respective governmental and non-governmental agencies and industries as well as the development of contacts and promotion of activities



*Dr. Mark MacGuigan*

between firms and organizations in both the member countries of ASEAN and Canada; related market development under the Canadian industrial development co-operation program.

**ARTICLE III:** Canada, through the industrial co-operation program of the Canadian International Development Agency and such other mechanisms that may be developed, will make every effort to support and to promote the industrial development of the member countries of ASEAN by identifying the opportunities for investment and for international linkages which will contribute to the fulfilment of the industrialization objectives of the member countries of ASEAN, including the following: analysis of industrial information and presentation of opportunities for Canadian businesses and their counterparts in the member countries of ASEAN; identification of industrial co-operation linkages between entities in the member countries of ASEAN and their counterparts in Canada and facilitation of collaboration through studies, missions and visits; investigation of proposed collaborative ventures by financing starter studies and undertaking their assessment by viability studies; enhancing the developmental impact of industrial ventures by providing assistance with such inputs as project preparation, training, market development and support for technological transfers.

**ARTICLE IV:** The contracting parties recognize the importance of facilitating an exchange of information on industrial plans, projects and investment possibilities. The contracting parties, in particular, the member countries of



ASEAN, agree to encourage investment missions, seminars, briefings and similar measures to draw attention to possibilities for industrial co-operation, bearing in mind those sectors of acknowledged Canadian specialization and excellence.

Subject to their respective laws, regulations and other related directives governing foreign investment and to international agreements and arrangements, the contracting parties undertake to maintain a mutually beneficial investment climate and recognize the importance of according fair and equitable treatment to individuals and enterprises of the member countries of ASEAN and Canada, including treatment with respect to investments, taxation, repatriation of profits and capital.

**ARTICLE V—Commercial Co-operation:**

The contracting parties shall, in their commercial relations, accord to the products originating in the territories of the other contracting parties most-favoured-nation treatment in accordance with the provisions of the General Agreement on Tariffs and Trade, or, in the case of a member country of ASEAN which is not a contracting party to the General Agreement on Tariffs and Trade, in accordance with any bilateral agreement between Canada and that country concerned on the matter.

**ARTICLE VI:** The contracting parties undertake to promote the development and diversification of their reciprocal commercial exchanges to the highest possible level.

**ARTICLE VII:** The contracting parties agree to encourage regular consultations between them to liberalize and expand their trade and commercial relations without prejudice to the provisions of the General Agreement on Tariffs and Trade or to any other bilateral agreement and arrangement between the contracting parties on the matter.

**ARTICLE VIII:** Recognizing that ASEAN is a developing region and that the member countries of ASEAN are seeking to attain economic resilience, the contracting parties, in accordance with their laws, regulations and other related directives, agree to exert their best endeavours to grant each other the widest facilities for commercial transactions and shall: take into account, to the extent possible, their respective interests in improving market access for each other's manufactured, semi-manufactured and primary products, as well as the further processing of resources; co-operate multilaterally and bilaterally in the solution of commercial problems of common interest including those related to commodities and trade related services; study and recommend trade promotion measures that would encourage ASEAN-Canada trade. Such measures could include trade

fairs and missions, seminars, export training programs and the establishment of promotion centres on trade, investment and tourism; encourage co-operation and participation of Canada in ASEAN regional projects.

**ARTICLE IX—Development Co-operation:** In order to supplement bilateral agreements and arrangements for inter-governmental co-operation, and in addition to the development co-operation activities described in the other articles of this agreement, Canada will co-operate with the member countries of ASEAN to realize regional projects and programs of a developmental nature designed to promote ASEAN's regional development as proposed by the member countries of ASEAN and as agreed to by Canada on the basis of mutually agreed priorities.

**ARTICLE X:** Canada undertakes to consider the provision of specific technical and financial support within its development assistance programs for an agreed program of regional projects among the member countries of ASEAN.

**ARTICLE XI:** The contracting parties will make every effort to encourage co-operation among institutions in their respective countries, such as universities, professional associations, co-operatives and similar institutions. Such co-operation could include management development programs. The contracting parties shall also encourage the provision of grants and other assistance for scholarships and fellowships in areas of mutual interest.

**ARTICLE XII:** The contracting parties shall, as appropriate, encourage and facilitate co-operation in the field of science and technology.

**ARTICLE XIII:** The contracting parties, having regard to their respective laws and regulations, shall make every effort to facilitate the movement of experts, specialists, investors and businessmen and their dependants as well as material and equipment related to activities falling within the scope of this agreement.

**ARTICLE XIV:** The contracting parties agree to explore methods for the transfer of technology between the member countries of ASEAN and Canada such as programs for technical co-operation, the provision of technical and consultancy services and the undertaking of training in related areas.

**ARTICLE XV—Related Agreements and Institutional Arrangements:** Subject to their respective laws, regulations and other related directives and to such obligations under multilateral agreements and arrangements as may be relevant, the contracting parties agree to strengthen the basis of their economic co-operation by encouraging the involvement of business and financial institutions and facilities which are appropriate to the objectives of this agreement, and

where mutually acceptable, the parties agree to explore alternative or additional mechanisms to support further the objectives of this agreement.

**ARTICLE XVI:** The contracting parties shall periodically review the development of co-operation between the member countries of ASEAN and Canada, and upon request shall consult on individual subjects. They shall also review, as appropriate, matters relevant to this agreement arising in international organizations and agencies.

**ARTICLE XVII:** The contracting parties agree to establish a joint co-operation committee to promote and review the various co-operation activities envisaged between the member countries of ASEAN and Canada under this agreement. To this end, consultations shall be held in the committee at an appropriate level in order to facilitate the implementation and to further the general aims of the present agreement.

The committee shall normally meet once a year. Special meetings of the committee may be held at the request of either the member countries of ASEAN or Canada.

The committee shall adopt its own rules of procedure and program of work and, in order to discharge more effectively its functions, may establish such subsidiary bodies as may be necessary.

**ARTICLE XVIII—Territorial Applications:** The agreement shall apply, on the one hand, to the territories of Indonesia, Malaysia, the Philippines, Singapore and Thailand, and, on the other hand, to the territory of Canada.

**ARTICLE XIX—Duration:** This agreement shall enter into force on the first day of the month following the date on which the parties have notified each other of the completion of the procedures necessary for this purpose, and shall remain in force for an initial period of five years and thereafter for periods of two years subject to the right of either party to terminate it by written notice given six months before the date of expiry of any period.

This agreement does not supersede existing bilateral agreements, arrangements or memoranda of understanding.

At the termination of this agreement, its provisions and the provisions of any separate arrangements or contracts made in that respect, shall continue to govern any unexpired and existing obligations or projects, assumed or commenced thereunder. Such obligations or projects shall be carried on to completion.

**ARTICLE XX—Amendment:** This agreement may be amended by mutual consent of the contracting parties.

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All figures in this publication are in Canadian dollars unless otherwise specified.



## A Review of Ways and Means to Co-operation

A MEETING of senior Canadian government officials with the heads of ASEAN diplomatic missions in Canada was recently chaired by the Deputy Minister of the Department of Industry, Trade and Commerce Robert Johnstone.

Canada-ASEAN economic and trade relations were extensively discussed at the meeting, at which representatives of the Department of External Affairs, the Export Development Corporation (EDC), the Canadian International Development Agency (CIDA), and the Canadian Commercial Corporation were present to explain their viewpoints on this important aspect of Canada-ASEAN co-operation.

Mr. Johnstone opened the meeting by suggesting that co-operation not only in trade but in the broad array of public and private sector contacts was the best fashion of assuring mutually satisfactory relations.

In affirming this approach Assistant Under-Secretary of State for External Affairs, Asia and the Pacific W.T. Delworth placed it in the context of the history of the Canada-ASEAN relationship. He also reviewed the strong Canadian interests in the political stability and economic growth in the region.

Emphasizing that trade is a two-way street, Mr. Johnstone expressed the view that both the ASEAN and Canadian markets offered considerable opportunities for growth in the future. He stated that it was important to make ASEAN a boardroom word across Canada and to have government and business leaders in ASEAN *think* Canada. He stressed that Canada is a reliable trading partner and indeed a major source of technology and investment.

The ASEAN ambassadors expressed appreciation for an opportunity to review the Canada-ASEAN trade relationship and reminded their Canadian hosts that trade is an important element in the recently signed Canada-ASEAN Economic Co-operation Agreement. Their suggestion that subsequent meetings be held to discuss ways and means of implementing the agreement was accepted.

The representatives of both Canada and ASEAN regretted that little progress had been made to date towards the formation of a Canada-ASEAN business council which could serve to further Canadian and ASEAN commercial interests. Both sides agreed to encourage their respective private sectors towards this end.

The ASEAN Ambassadors accepted the invitation of the Department of Industry, Trade and Commerce to review

more closely the potential for ASEAN exports to the Canadian market and Canadian capability in foreign investment. The most immediate up-coming activities include a meeting with senior officials of the Canadian banking community, scheduled for February, and

a visit to British Columbia to look at the Canadian forestry industry, coal handling capability, and open pit mining projects. The department also agreed to consider a project identification mission to ASEAN to further advance trade and investment.

## EDC Loans to ASEAN Doubled

THE Export Development Corporation (EDC), a Canadian Crown corporation, is focusing on ASEAN as a key area in its activities. The EDC arranges credit for buyers of Canadian goods and services in other countries. It also facilitates overseas trade by providing export credits, insurance, and bank guarantees for Canadian exporters.

The total of EDC lending agreements to ASEAN nations during 1981 reached more than \$165.5 million — more than twice the total for 1980 and nearly half the total for the period 1961 to 1980 inclusive. During 1982 the EDC expects to sign seven new lines of credit with governments in ASEAN for a total value of \$55 million. It also expects to sign 17 loans with a total value of \$360 million and make 23 allocations under lines of credit with an average value of \$1 million each.

The EDC provides medium- and long-term financing to support purchases of Canadian capital goods and services. It generally arranges financing for up to 85 per cent of the contract value of an export transaction. When competitive circumstances warrant, financing for a portion of local costs incurred by the buyer may also be arranged.

There are four types of EDC financing services: loans; allocations under lines of credit; forfaiting, or purchase, of promissory notes; and loan guarantees.

The first type of financing, loans, can be arranged for any export transaction, but it is more applicable for transactions in which the repayment terms are more than five years. Once a buyer decides to conclude a transaction, the EDC negotiates the final details of the loan agreement and related agreements with him or the institution borrowing on his behalf. Additionally, a disbursement procedures agreement is negotiated among the EDC, the exporter and the buyer, which specifies how the EDC is to disburse funds to the exporter on the buyer's behalf.

Allocations under lines of credit, is an instrument used by EDC to facilitate the purchase of capital goods and services sold on medium-term credit. Instead of lending the money directly to the buyer, the EDC lends it to an intermediary — a bank or financial institution in the buyer's country — which re-lends it to the buyer. An allocation under a line of credit is not a substitute for a loan, but simply a special version of a loan in which the borrower has been



EDC lending agreements to ASEAN nations during 1981 totalled more than \$165.5 million. One of these was a \$1.35-million line of credit to support the sale of Canadian goods and services by various Canadian exporters to the Philippine Investment System Organization (PISO). Officiating at the agreement signing ceremony in Manila are (seated r-1) PISO Chairman-President V.S. Barrios, EDC Secretary S.A. Gillies, and EDC Assistant Vice President M. Bakker.



approved by the EDC in advance. In most cases, the rates, terms and disbursement procedures have been established, with the result that the transaction moves more quickly than with a conventional loan. From the standpoint of the buyer, a line of credit establishes a procedure and sets terms that allow him to conclude the financing with a minimum of time and resources.

The third type of financing service, forfaiting, is a new service, announced last June, under which the EDC purchases promissory notes issued to Canadian exporters by their buyers. The notes must be guaranteed by a bank acceptable to the EDC and endorsed over to the EDC on a non-recourse basis. On an exceptional basis, the EDC may agree to waive security. This would occur if the buyer was a first-class, unquestionable, internationally-recognized credit risk. The advantages of forfaiting to the exporter are that it provides simple, fixed-rate financing at commercial terms for small- and medium-sized transactions for credit periods of from two to five years. Furthermore, the debt can be extinguished in the buyer's own country, since the notes that evidence the debt are payable in his domicile.

Finally, there are loan guarantees, which the EDC provides to a bank or other financial institution that wishes to provide a loan to a buyer of Canadian capital goods and services, but does not wish to assume the credit risk associated with the transaction.

The EDC is unique among export credit organizations in that its interest rates are not posted and it does not disclose rates on individual transactions after they have been completed.

The EDC believes in a flexible, negotiated approach to each individual transaction because it knows that effective financial competitiveness is more than just a matter of interest rates. Several other factors can be equally or more important to a buyer. These include: repayment terms realistically tailored to the cash flow; the availability of downpayment, construction period, progress payment, and local cost financing; a choice of currency for the financing; documentation that can accommodate a buyer's special circumstances; financial packaging, including syndication and lines of credit, which take the burden of financial organization off the borrower; and a capacity by the EDC and the exporter to interrelate interest rates, fees and the price of goods (to provide a presentation and a package which is custom tailored to the special interests of the buyer).

The EDC knows that, on large capital projects, often repayment terms appropriate to cash flow are more crucial in the buyer's decision-making process

than interest rates. The EDC is willing to extend, within commercially reasonable bounds, terms that the buyer can accommodate in his cash flow. This ability has contributed to success on large developments in two of the countries of the ASEAN group.

For projects, the buyer's requirements go beyond financing for capital goods and services. He needs a full range of downpayment, construction period and local cost financing that must come from several sources. Many buyers are receptive to a comprehensive proposal made in a skilled merchant banking fashion. The EDC frequently works with a wide range of commercial financing institutions to build these packages and they have been effective in several instances. A notable example is the CANDU nuclear power project in the Republic of Korea, where the EDC package included financing from the EDC, commercial banks, and the British — all in one contract. Another example is a purchase in 1980 by Philippines Airlines Inc. in which the EDC tied together, in one contract, financing from the EDC, the banks, and the Export-Import Bank of the United States.

A variation on this theme is parallel financing between the EDC and the Canadian International Development Agency (CIDA). Where appropriate, parallel financing can be used with good effect.

Another area which the EDC plans to explore is the development of relations with the multilateral financing organizations such as the World Bank group, the Asian Development Bank and the Inter-American Development Bank. These development banks have vast pipelines of business and the EDC intends to develop closer relations with these organizations.

The timing is quite propitious for such an initiative. The multilateral banks are under pressure, like all international financing institutions, to extend their available resources. The EDC understands from recent discussions that they are more open than ever before to including co-financing participation with the EDC. A recent example of the EDC participating with a multilateral financing organization is the Bukit Asam project in Indonesia, which the EDC, CIDA, and the World Bank are financing.

Another example of using flexibility is the EDC's ability to loan in various currencies. Most of the EDC's competitors are limited to providing financing in their own currencies. The EDC, however, raises its funds in the international capital markets. Therefore, it can offer buyers the option of financing in a fundable currency applicable to their needs.

An important ingredient in any transaction involving the EDC and a

buyer is early consultation. Because the EDC employs the flexible, negotiated approach to loans it must have consultations with the buyer and all other parties to the transaction before it can tell the buyer the rates and terms it will be offering. An early contact with the EDC is not an imposition on the corporation. It is exactly the opposite. It is an opportunity for the EDC to begin the process that must take place before it can quote.

The business that Canadian companies are winning with EDC support in Asia include equipment and services in power generation, both nuclear and thermal; telecommunications; transportation, including ships, aircraft and flight simulators; resource development for minerals and forest products; cement plants; port development; petroleum exploration; petrochemical plants; and light manufacturing development.

The EDC sees the large increase in its financing with the ASEAN nations last year as a harbinger of even greater co-operative efforts between Canada and the ASEAN nations in the years to come.

Further information on EDC's financing services is available from Canadian Trade Commissioners in ASEAN capitals (see p. 16) or from the Assistant Vice-President, Asia Division, Export Development Corporation, Ottawa.

## **ASEAN Film-makers**

### **Talk Global TV Series**

THE University of Malaya recently held an ASEAN-wide seminar to discuss an international television project called Agenda for a Small Planet.

Financial assistance for the project was given by the International Development Research Centre (IDRC), a Canadian public corporation established to support research designed to adapt science and technology to the specific needs of developing countries. It was conducted under the aegis of the Department of Public Information of the United Nations in co-operation with the Canadian International Development Agency (CIDA) and the World-View International Foundation in Sri Lanka.

The objectives of the seminar in Kuala Lumpur were to critically assess documentary films that had already been made, to propose themes for future films to ASEAN film-makers, and encourage them to portray Third World views of development issues to television audiences throughout the world. It brought together key personnel from the print and electronic media, development workers, and experts in social, cultural, and economic development.

The final outcome of this successful



exercise will be a documentary film series made up of one film from each ASEAN country. It is hoped that a small documentary film festival can be held to screen these films and to choose one or two films for submission to the Agenda project for world-wide screening. Some of the themes that were proposed were: the refugee problem from a Southeast Asia perspective; the ASEAN story of co-operation for mutual benefit; education and the media; transmigration and resettlement; food from the sea; the evolutionary development of some of the countries in the region — the problems they have faced and the solutions they have developed; and corruption — its forms and consequences.

## Hormones to Help Fish Multiply

THE ONLY manufacturer in Canada of scintillator chemicals used in nuclear medicine has moved quickly into the aquaculture field with the help of Canada's International Development Research Council (IDRC), and is active in ASEAN countries.

Syndel Laboratories Ltd., of Vancouver, has researched and developed the simultaneous extraction of several fish pituitary hormones and has been collaborating with other laboratories, including the University of Hong Kong, in the assay of hormones, specifically prolactin.

There is a huge potential demand for the hormones, particularly in regions of the world where fish represents a staple diet, such as in Southeast Asia. The hormones are injected into the fish to induce spawning, with the long-term net effect of increasing the tonnes of fish available for consumption.

Already significant results have been achieved from the utilization of the hormone in spawning in Southeast Asia, with two species that had previously proven to be unresponsive having been spawned.

Syndel Laboratories is looking to follow up its work in Penang, Malaysia, in Singapore and, through the Canadian International Development Agency (CIDA), to enter into a joint venture with an Indonesian company to breed and bring eggs through to the fry stage, then to be sold commercially.



## A Timely Visit by Swine Experts

AN EIGHT-MAN TEAM of specialists in the technology of swine production in Canada is scheduled to visit ASEAN from February 21 to March 6. The mission, which has been planned to follow up a similar visit in 1979, will travel to Malaysia, the Philippines, Singapore, and Thailand.

Among the members of the team will be representatives from industry and government, and academics. They will spend one day in each country viewing farms and a second day will be devoted to seminar presentations by both the Canadian team and local experts. Topics to be covered by the Canadians will

include record of performance programs, management, nutrition, genetics, and export capabilities.

Expertise of the type to be supplied by the Canadians is particularly timely for the Singapore swine industry, which this year is launching expansion projects involving an investment capital forecast at \$57.2 million. Among the projects are at least 12 new, large-scale, industrialized pig farms that will require breeding stocks as well as technology. The seminar in Singapore will be held at the Ponggol Pig Centre, a division of Singapore's Primary Production Department.

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## Canada and the Asia-Pacific Region

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### Second Pacific Rim Opportunities Conference Scheduled

ON FEBRUARY 22-24, the Canadian private sector, under the initiative of the Pacific Basin Economic Council (PBEC), will be holding the second Pacific Rim Opportunities Conference (PROC II) at the Harbour Castle Hotel in Toronto.

Over 250 participants took part in the first Pacific Rim Opportunities Conference which was held in Vancouver in November, 1980, under the sponsorship of the Canadian government.

Among the distinguished speakers who will take part in the PROC II program will be two Canadian Cabinet Ministers — Ed Lumley, Minister of State for Trade, and Mark MacGuigan, Secretary of State for External Affairs. Altogether, some 60 speakers and panelists will participate in the conference, including successful Canadian businessmen active in the Pacific area, academics, and various experts on the Pacific, well-known speakers from the region, and Canadian trade commissioners posted in the Pacific Rim countries.

PROC II will consist of a number of country workshops as well as thematic workshops on topics of general interest, such as overall economic and political conditions prevailing in the Pacific, international financing, joint ventures, and importing.

Participation in the conference is open to both exporters and importers. Embassies and high commissions of countries in the Pacific Rim are also being invited to send representatives as well as to set up information displays on their respective countries.

### An Asia-Pacific Foundation for Canada?

CANADA'S Secretary of State for External Affairs Mark MacGuigan has announced that Mr. John Bruk, chairman of Cyprus Anvil Mining Corporation, Vancouver, has accepted his invitation to undertake a study of the feasibility of establishing a Canada Foundation for Asia and the Pacific.

The usefulness of establishing such a foundation has been under consideration for some time as a means of promoting Canadian interests in the Asia and Pacific region. The Pacific dimension of Canada's external personality has continued to develop in a very healthy way and Canada's relations with the region show growing promise and diversity, Mr MacGuigan said. But discussions with Canada's Asian friends as well as interpretation of Canadian attitudes and expectations indicate that the full potential of these relations has not been exploited.

It appeared, Dr. MacGuigan continued, that what is needed is a means by which all of these relationships — political, economic, cultural — can be fostered and supported and greater mutual awareness stimulated between Canadians and the peoples of Asia and the Pacific. A foundation for Asia and the Pacific, removed from government and serving as a clearing house for ideas and support for initiatives, might fill this need.

In examining the feasibility of this idea, Mr. Bruk has been asked to consult representatives of provincial governments, academic institutions, business, labour and others with an interest in Pacific relations during the course of his study.



## Singapore Venue for SEA Studies Conference

THE Canadian Council for Southeast Asian Studies (CCSEAS) will be holding its second international (twelfth annual) conference at the Institute of Southeast Asian Studies, Singapore, June 21-24, 1982.

Sponsored by the International Development Research Centre (IDRC) and the Social Science Research Council of Canada, the conference is expected to inaugurate a new phase of research collaboration between Canadian specialists on Southeast Asia and about 60 Southeast Asian counterparts.

The main theme of the conference is "Village-Level Modernization: Livelihoods, Resources and Cultural Continuity," and will include discussion of the role and potential for Canadian NGO's, small industry and consultancy in complementing the efforts of indigenous agencies in promoting regional and integrated rural development to enhance livelihood opportunities and prospects for rural inhabitants of Southeast Asia.

The CCSEAS is the national organization of specialists with an academic or professional interest in Southeast Asian affairs. Its first international (ninth annual) conference was held at the Institute of Asian Research, University of British Columbia, November 9-11, 1979, the proceedings from which are being published as "The Political Economy of Rice and Water: Village-Level Modernization, Employment and Income Distribution in Southeast Asia" (University of British Columbia Press, 1982) and "Southeast Asia: Women, Changing Social Structure and Cultural Continuity" (University of Ottawa Press, 1981). Other volumes of annual conference proceedings are obtainable from CCSEAS Secretariat, Carleton University, Ottawa, Canada.

About 12 collaborative research projects are expected to be inaugurated on various aspects of Southeast Asian development as a result of the CCSEAS conference in June, in addition to a widening information network among scholars and others with a professional interest in Southeast Asia.

It is hoped that the international conferences will become regular bi-annual or tri-annual affairs, held alternately in Canada and in a location in Southeast Asia.

Further information is available from Professor Geoffrey B. Hainsworth, at the Institute of Asian Research, University of British Columbia in Vancouver, Canada, or Professor Kernial S. Sandhu, Institute of Southeast Asian Studies in Singapore.

## The Canadian Travel Scene

### Canada Welcomes More ASEAN Tourists

OVERSEAS travel to Canada from the ASEAN countries increased by almost nine per cent in the first six months of 1981, according to the Canadian Government Office of Tourism (CGOT) figures. More than 17,000 visitors from ASEAN's five member countries travelled to Canada in the January to June period, compared with about 15,000 a year earlier.

The Canadian government has launched a series of 16 market probes to learn more about travel to Canada from a number of "emerging markets" around the world, including countries in Asia. The results are expected this April. The purpose of the probes is to get a better indication of potential travel to Canada from these nations as well as an idea of what people think of Canada as a travel destination. Steps will be taken to increase promotion of Canada in markets showing high potential.

The total number of Asian visitors to Canada reached 357,000 in the first 10 months of 1981, about the same level as in 1980 and nearly six per cent higher than in 1978, according to CGOT figures.

More than half of the Asians travelling to Canada are visiting friends and relatives

or are on vacation. About 27 per cent head to British Columbia, with Alberta a close second at 22 per cent, followed by Ontario (15 per cent) and Quebec (14 per cent). About 54 per cent of these visits are in June, July and August, the most popular vacation months. About 70 per cent of Canada's Asian visitors enter the country via the United States of America.

The average length of stay among Asian visitors has remained stable at about 11 nights per visit. However, the Japanese, who stay only seven nights on average, accounted for nearly 50 per cent of the \$125 million spent by Asians in Canada in 1979. In 1978, Asian visitors spent about \$90 million in Canada.

Canada's unspoiled natural landscape, combined with the comfort of nearby urban centres, is a major draw-card among overseas visitors. Tourism is a big business in Canada, earning almost \$15 billion a year (five per cent of the gross national product) and employing more than one million Canadians (almost 10 per cent of the workforce). The country welcomes more than 40 million visitors a year from around the world. In 1980, they spent \$3.3 billion, up from \$2.9 billion the year before, making tourism Canada's seventh-largest earner of foreign exchange. However, most of Canada's tourism income comes from



*The main street of Banff, Alberta, nestling at the foot of Cascade Mountain.*



the spending of Canadians travelling in their own country, an estimated \$11.4 billion in 1980.

## The World's Most Spectacular Plunge

NIAGARA FALLS in the south of the Province of Ontario is one of the great natural wonders of the world and Canada's most popular tourist attraction. For a spine-tingling bird's-eye view, visitors can take a helicopter flight across the gaping chasm, or ride a glass elevator up the outside of the Skylon Tower.

The most spectacular plunge — the greatest in the world — is at the bottom of the peninsula, between Lake Erie and Lake Ontario on the Niagara River, where each minute up to 540 million litres flow over the crests of Horseshoe and American Falls, drop 49 metres and fill the air with rainbows, mist and thunder.

The churning waters of Niagara produce almost two million kilowatts of electricity. The water is diverted upstream on the Canadian side of the river to plunge, unseen by tourists, through rocky tunnels to turn turbines in two huge power stations. Then the water returns to the river, below the Falls, to begin another tumultuous ride through the lower rapids. The flow is controlled precisely and the sharing of the waters is fixed by international treaty.

Niagara Falls freezes in mid-winter and an ice bridge forms between Canada and the United States. It may be 12 or more metres thick. Some years it is almost flat, some years it has ridges 24 metres high.

The Niagara River is only 56 kilometres long. It has an average width of over one kilometre, and it falls 100 metres between Lakes Erie and Ontario. It is the only river in the world to turn completely around and flow under itself, as it does at the Whirlpool below the Falls.

It is crossed by six international bridges.

The Whirlpool Rapids Bridge, three kilometres north of the cataracts, was built in 1897 on the site of two earlier bridges, the first built in 1848.

The Peace Bridge opened in June, 1927 and is the most important traffic artery between Canada and the United States, connecting Fort Erie, Ontario, and Buffalo, New York.

Rainbow Bridge opened in November, 1941. It reaches gracefully from Niagara Falls, New York, to Niagara Falls, Ontario. Its predecessor, called the Honeymoon Bridge, collapsed under the stress of an ice jam in 1938 after 40 years of use.

The suspension bridge between Lewiston, New York, and Queenston, Ontario, is only 256 metres long and the



*From the revolving restaurant at the top of the Skylon Tower visitors have a spine-tingling bird's-eye view of Niagara Falls, illuminated after dark all year round.*

only bridge within the walls of the Niagara Gorge. It is only 18 metres above the water.

There are also two railroad bridges — the International Bridge at Buffalo, two kilometres north of the Peace Bridge, which is owned by the Canadian National Railway, and the New York Central Bridge near the Whirlpool Rapids Bridge.

The Welland Canal connects Lakes Ontario and Erie. It was the first lake canal and is an essential link in the St. Lawrence Seaway. It is 40 kilometres long and it lifts lake freighters 100 metres over the escarpment. The first canal had locks of timber and was only two and a half metres deep. The second, built in 1842, had locks of escarpment stone. A third was built in 1870, with locks 14 metres wide and 82 metres long. An 11-kilometre-long bypass around the centre of the city of Niagara Falls was built in 1973.

The State of New York and the Province of Ontario set up separate park systems around the Niagara in the 1880's.

Today Ontario's Niagara Parks Commission holds and operates a chain of parks from Fort Erie to Fort Mississauga at Lake Ontario and a parkway to go with it. The whole area contains some 1,215 hectares of land, an 18 hole golf course, a school of gardening, museums, shops, restaurants, a game and wildlife refuge on Navy Island, Queen Victoria Park, the Oakes

Garden Theatre and a floral clock.

In New York, the Niagara Frontier States Parks Commission maintains Goat Island and Prospect Park on the mainland, which extends along the rapids in the upper river, and parks at Devil's Hole and on Grand Island.

The Falls were first illuminated electrically in 1879, by a 36-horsepower generator, during the visit of the Marquis of Lorne, Canada's Governor-General, and Princess Louise. It produced 32,000 candle-power. Since 1976 the Falls have been lighted year round by 22 xenon lamps with an intensity of 4.2-billion candle-power. They are illuminated until midnight in summer and until 9.30 p.m. in winter.

One may ride past the American Falls and into the heart of the pool below the Horseshoe Falls on the Maid-of-the-Mist (any one of the four sturdy boats bearing that name), while wearing a hooded raincoat. There will be spray in one's face and a great roar in one's ears. It is even possible to see the Falls from behind, thanks to a series of tunnels cut into the rock. The table rock tunnels lead visitors down to balcony windows.

Niagara Falls has been associated with honeymooners since the early 1800s when, supposedly, Napoleon's younger brother brought his bride up from New Orleans.

Today most of the 14 million people who show up annually are not on their



honeymoons, but a sizeable number are.

Motels compete for the honeymoon trade by offering special packages (three nights for \$225, includes love settee, colour TV, three breakfasts and free champagne, for example). Most packages include a honeymoon suite and a three

hour sightseeing tour plus a genuine Honeymoon Certificate, suitable for framing. Last year 25,000 certificates were handed out. The bride also gets complimentary passes to a variety of tourist attractions. The groom, however, does not!

## Around the Region

### Canadian Connections with ASEAN Countries

#### INDONESIA

The development of the lateritic nickel ore deposits in the remote Indonesian island of Sulawesi only began 14 years ago. It followed the selection of the **International Nickel Company of Canada Limited (INCO)**, Toronto, to negotiate a contract of work with the Indonesian government. Just 10 years later, in 1978, INCO's subsidiary, P.T. International Nickel Indonesia (P.T. INCO), had a planned annual production rate of 16,000 tonnes from its facility near Soroako on Sulawesi. Now, its present production capacity of approximately 34,000 tonnes of contained nickel in matte form per year places the Soroako plant among the major nickel producing complexes in the world.

The converted matte, containing 75 per cent nickel, is granulated for packaging and shipment to market, primarily in Japan. Nickel is a mainstay in the plating industry and in stainless steel production.

The project has created hundreds of jobs, directly and indirectly, in a sparsely populated area, attracting Indonesians from more heavily populated

areas in Java and Sumatra, as well as from other parts of Sulawesi.

New housing developments have resulted and an extensive townsite has been developed to the west of the existing town of Soroako. In addition to housing, schools and places of worship, the town has an airport, hospital, stores and recreational facilities.

\*

Canada has won several key contracts in connection with the **Bukit Asam** coal mining project, which is part of Indonesia's program for the development of its thermal power resources. The project involves mining coal at Bukit Asam in the interior of South Sumatra, transporting it by rail to a new port, and shipping it across the Sunda Strait to a thermal generating plant at Suralaya, West Java.

Canadian involvement in this project focuses on the upgrading of the railway from the mine site to the Tarahan coal terminal, construction of the coal terminal on a turnkey basis, and installation of a telecommunications network to control the overall system.

Financing of \$122.7 million has been approved by the Canadian Export

Development Corporation (EDC) for the participation of Canadian firms in the project (see story on p. 5). This project also includes financing by the Canadian International Development Agency (CIDA). A loan agreement was signed in Jakarta by the Indonesian Director-General for International Monetary Affairs, Dr. Soegito Sastromidjojo.

Three Canadian engineering firms—Canadian Pacific Consulting Services Ltd., Montreal Engineering Company Ltd., both of Montreal, and Swan Wooster Engineering Company Ltd. of Vancouver—have signed contracts valued at \$53 million for the railway portion and implementation of phase two of the project. The consultant's recommendations for the turnkey bids from Canadian firms for the Tarahan coal terminal will be submitted to Indonesian officials in the near future.

In addition, other Canadian firms will be bidding on the equipment and services contracts. The equipment required includes locomotives, hopper cars, rails, fastenings, switches, service equipment, microwave radio and multiplex equipment, phone systems, mobile radio systems, and conveyors and other handling equipment.

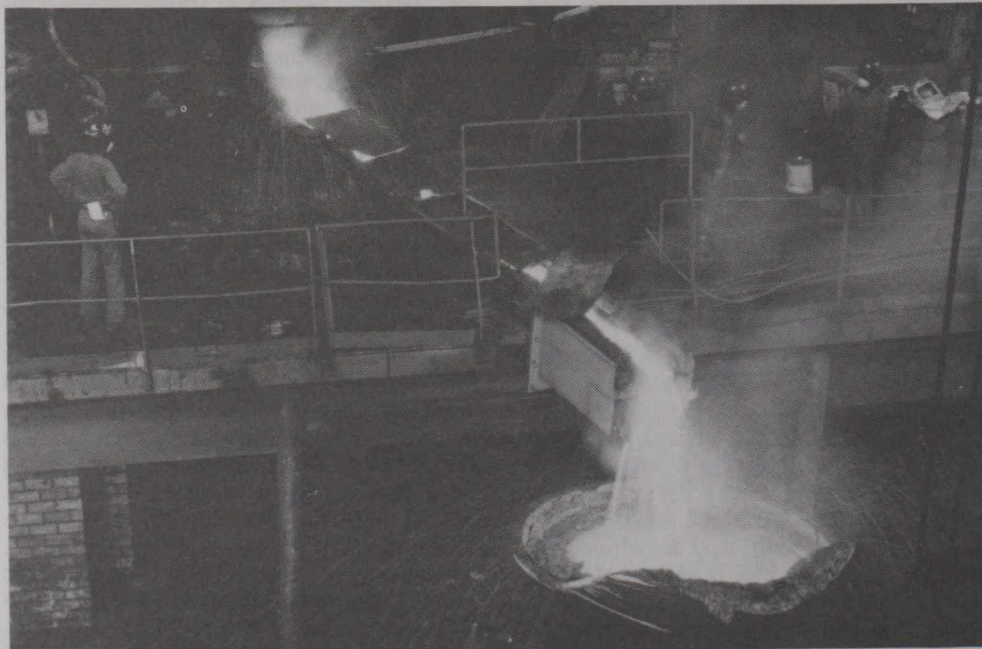
\*

The Canadian government provided a \$21.0 million development loan to assist in the financing of Indonesia's **Resource Evaluation Aerial Photography (REAP)** project—an assessment of the country's natural resource base.

The specific purpose of the REAP project is to develop a topographical mapping data base for Kalimantan and Sulawesi that will facilitate the production of topographical maps and related mapping materials and to provide aerial photography suitable for topographical mapping for Java, Bali and the Nusa Tenggara. The absence of such photography has been a major constraint on Indonesian resource exploitation and management.

In areas where there was no suitable aerial photography and topographical maps, the Canadian government, through the Canadian International Development Agency (CIDA), is supplying a topographical mapping data base that will provide a basis for reconnaissance forest inventory maps and for the assessment of other natural resources including mineral, petroleum and agricultural resources. It could also serve as an essential data base for general planning purposes.

The project consists of various physical survey and aerial photography activities. Output from these project activities will provide the Indonesian government, through its implementing agency (BAKOSURTANAL), with a topographical mapping data base



*Processing nickel at INCO's plant in Soroako, Sulawesi.*



consisting of: small scale (1:100,000) aerial photographs; horizontal control surveys in the form of doppler satellite receiver positions; vertical control surveys in the form of radar altimetry (APR) and adjusted aerial triangulation; and larger scale (1:60,000) aerial photographs.

Canada has contributed the doppler equipment; horizontal control survey; aerial photography; APR and aerial triangulation adjustment; and technical assistance. The individual components have been carried out under separate contracts by Canadian contractors and/or consultants.

Phase I of the project began in January, 1979 and was completed in March of 1981, with the establishment of more than 300 survey control points on the islands of Kalimantan, Sulawesi, Java, Bali, Lombok, Sumbawa, Flores and Timor using doppler satellite positioning equipment. For this phase, BAKOSURTANAL augmented its own doppler positioning facilities with the services of McElhanney Surveying and Engineering Ltd. of Vancouver, Canada.

The second phase of the project currently under way employs two specially modified and equipped aircraft for the production of aerial photography of the survey area in order to produce base maps for land use planning and natural resources exploitation activities. A consortium of Canadian companies led by Kenting Earth Sciences of Ottawa, Canada, is handling this part of the project.

The arrival of the two aircraft in July, 1981 marked the initiation of Phase II. The inauguration ceremony in Balikpapan, Kalimantan was attended by the Chairman of BAKOSURTANAL Pranto Asmoro, representing the Indonesian Government, and the Canadian Ambassador W. H. Montgomery.

The aerial photography will be completed by mid-1984, with project completion expected by mid-1985.

\*

A second delineation well, MSU-5, drilled offshore Indonesia in a Malacca Straits contract area has been flow-tested at a combined rate of 10,519 barrels a day of clean, light-gravity crude oil.

The well is reported by Hudson's Bay Oil and Gas Co. Ltd. (HBOG) of Calgary, Alberta, Canada—which has a 50 per cent share of the contractor's interest in the 1.2-million hectare area—to be located in a water depth of 17.5 metres about 800 kilometres northwest of Jakarta and 160 kilometres west of Singapore.

All three wells drilled on the MSU structure have been successfully tested and yielded a total combined flow rate of 28,000 barrels a day.

Additional delineation drilling on

the MSU structure and the MSA, which is located 5.5 kilometres south, was scheduled to be completed by the end of 1981.

HBOG's subsidiary, Hudbay Oil (Malacca Strait) Ltd., is operator of the contract area for a group of companies that holds a production sharing contract with Pertamina, Indonesia's state-owned petroleum enterprise. Another Canadian member of the group is Home Petroleum Corporation, a unit of Hiram Walker Resources Ltd., Toronto, Ontario.

## MALAYSIA

Agriculture Canada and the Province of Ontario's **Soybean Marketing Board** are joining forces in a technical presentation to introduce specialty varieties of soybeans to Malaysia (February 25–26) and Singapore (February 23–24).

Members of the seven-man mission will present, with the aid of projected photo-slides, an overview of the soybean industry in Canada, its breeding programs, the selection and cleaning of specialty soybeans, and product development using specialty varieties.

As well, they will have meetings with representatives of Singapore's soybean trade and, in Kuala Lumpur, the members of the mission will visit a factory making soymilk and another making soysauce.

\*

**Westinghouse Canada Inc.** of Hamilton, Ontario, have secured an order for the supply of two gas turbine generating sets, model W1916, as a sub-contractor of C. Itoh Co Ltd., Japan, for delivery to the Sabah Electricity Board. The sale is valued at \$8.8 million.

## SINGAPORE

The Province of Alberta, Canada, which is one of the world's largest and pioneer producers of oil and gas, will again participate in the **Offshore South East Asia** trade show. Twenty manufacturers from Alberta will have exhibits in the Canadian booth at the show in the World Trade Centre, Singapore, from February 9–12.

Oil and gas have been produced in Alberta for over 50 years and the industry there has developed unique and

## PHILIPPINES



The Philippines' Foreign Minister General Carlos P. Romulo (l) presents gifts to his counterpart Dr. Mark MacGuigan while in Canada recently on an official visit, which was reported in the October issue of *CANADA-ASEAN*.





Mr. Frank Yung-Cheng Yung (second from left), chairman of the Telecommunication Authority of Singapore (TAS) being briefed by Mr. Bob Mitchell (right) on ITT Canada's private automatic branch exchange (PABX) System 3100 during CommunicAsia '81. The trade show was held December 9-12, 1981, in Singapore's World Trade Centre. Eight Canadian telecommunications companies participated, as did the Canadian government's Department of Industry, Trade and Commerce. During the show, TAS announced its approval for the advanced technology private telephone exchange system, for which an installation and servicing centre has been established in Singapore.

specialized equipment and techniques for all aspects of exploration, production, tertiary recovery, and transportation. In the transportation field alone, Canada has installed over 128,000 kilometres of oil and gas pipelines. Some of the companies which accomplished this growth will be participating in the show.

Alberta's Minister of State for Economic Development and International Trade Horst A. Schmid will lead the group. No stranger to the ASEAN region, Mr. Schmid led two successful oil and gas equipment missions to ASEAN in 1981 and was instrumental in cementing the close relationships that have grown between the Alberta industry and the oil and gas producing nations of ASEAN.

\*

A **Canadian Business Group** has been established in Singapore and will hold its first luncheon meeting on Thursday, February 12, at the Raffles Hotel. The guest speaker will be Mr. Horst Schmid, Minister of State for Economic Development and International Trade for Alberta, who will be visiting Singapore as head of the Alberta delegation to the Offshore South East Asia trade show.

The general objectives of the Canadian Business Group (Singapore) are: to promote the development of commerce between Singapore and Canada; to

represent, express and give effect to the views of the business community of Canada in Singapore concerning trade, finance, industry and other related matters; to provide a forum for individuals and companies with an interest in Singapore-Canada commercial relations to meet together on an informal basis; and to facilitate liaison between the Canadian business community in Singapore and the Canadian government through the offices of the Canadian High Commission.

The first President of the Canadian Business Group is Mr. Peter Tulloch, Manager of the Bank of Nova Scotia in Singapore, and the Canadian High Commissioner L.M. Berry is the Honorary Chairman. Further information about the group can be obtained from the Secretary, Mr. Dale Congram, Manulife Singapore (Pte.) Ltd., 4-316 Merlin Plaza, Beach Road, Singapore 0719; telephone 296-0788.

\*

During 1981, Canadian industry participated in nine **trade shows** in and four **industry missions** to Singapore under the sponsorship of the Government of Canada, provincial governments, industry associations, and private industry.

Because of this activity, by the end of the year 145 Canadian companies had

entered the Southeast Asian market for the first time.

In addition, trade visitors to these shows, who came from all the countries of Asia, totalled more than 49,686, providing an unprecedented exposure for Canadian products and capabilities in Southeast Asia.

The nine trade shows were Wood Asia '81, Canada-ASEAN Technology Exchange, Fishing Asia '81, Machine Asia '81, Asian Aerospace Exhibition and Conference '81, Computa '81, Asian International Hardware Show, Asia Mining, and CommunicAsia '81.

\*

Singapore Computer Systems (Pte) Ltd. has awarded a contract to a Canadian company, **DMR Associates** of Montreal, to advise on the design and system specifications for the development of a computerized system for the Singapore Ministry of Trade and Industry. DMR Associates will bring specific expertise and experience in structured techniques of analysis and design to the Singapore Computer Systems team working on the project for the Ministry of Trade and Industry.

DMR's International Division is also currently overseeing the computerization of Zimbabwe's government departments. Other projects have been undertaken in Algeria, Australia, and the U.S.S.R., where the firm handled the results system for the 1980 Olympic Games in Moscow.

\*

**Singapore International Software Services Pte. Ltd.**, (SISS), a joint-venture between Singapore Airlines (SIA) and the Canadian-based computer time-sharing company I.P. Sharp Associates, was launched at an agreement signing ceremony in November, 1981.

The new company was set up after more than a year of planning and negotiation to market computer time-sharing services and advanced computer software products within Singapore and a number of other Southeast Asian countries. The agreement provides for the eventual expansion of the company's operations to the four other ASEAN countries, plus Brunei, Burma, India, Pakistan, Bangladesh, and Sri Lanka.

Revenues for 1982 are expected to exceed \$1.7 million in Singapore alone, and it is anticipated that before 1985 SISS will become the largest supplier of computer time-sharing services in the region.

Initially, the computing facilities are being provided by I.P. Sharp Associates' giant Toronto-based twin Amdahl V8 computers and a world-wide data communications network, providing local dial-up access from more than 400 cities. A wide range of applications packages and data bases are available



to customers in the banking, construction, insurance, manufacturing, resources, and transportation industries.

A replica of the I.P. Sharp Associates' system is being installed on one of SIA's IBM 3031 computers in the interests of providing a tangible basis for transferring the technology.

SIA is a major in-house user of I.P. Sharp Associates' software product. Through the partnership SIA will gain experience, knowledge and expertise quickly and, at the same time, offer its service and hardware facilities to others as part of its contribution to the national computerization effort. The new company's educational centre, capable of training 300 students a year, is also a substantial contribution.

\*

The Dynasty Hotel being built in the heart of Singapore's major shopping district will install a private automatic branch exchange (PABX) system.

The system is developed by **Northern Telecom**, the largest Canadian telecommunications products manufacturer. The Singapore branch of the company, Northern Telecom (Asia), is the Asian regional office for sales and technical matters.

Dynasty Hotel will be the first local hotel to use the SL-1 PABX telecommunications system, which has an automatic wake-up facility, recorded overflow announcement, controlled class of service, maid dial-in, and music on-hold.

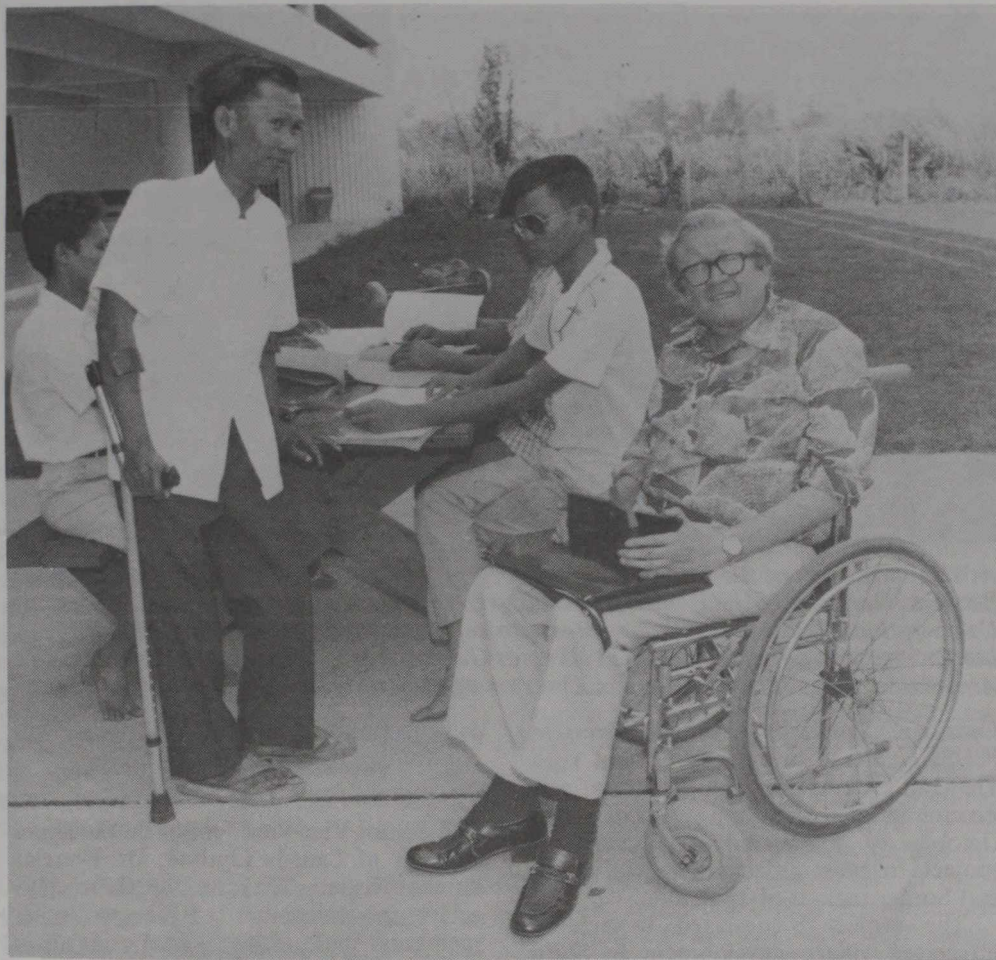
The controlled class of service is regulated by hotel cashiers. Once the guest has checked out, the cashier will switch off the international direct dialling system in the room to avoid disputes on overseas calls charges.

The recorded on-hold overflow announcement means that if all operators are busy on the lines, automatically the caller will be put through to a specific line where he will be told that he will be attended to as soon as the operators are off the busy lines.

With music on hold, a caller will be entertained by hotel piped-in music if a particular room number he calls is busy. At the same time, the guest who is engaged on the telephone will hear a soft beep sound indicating that another call is waiting for him.

\*

The Assistant Director of the **Singapore Sports Council**, Mr. Desmond Oon, has been given a grant by the Canadian government to study sports administration and sports information data storage and retrieval systems in Canada. Mr. Oon will visit the Sports Information Resource Centre in Ottawa as well as the Ontario government's Sports Administration Centre in Toronto to study the



*Mr. Henry Enns (r) from Canada chaired the first World Congress of Disabled Peoples in Singapore before travelling on to spread words of encouragement to handicapped people, including these blind men in one of Thailand's vocational training centres.*

systems within these two organisations with a view to introducing similar technology within the Singapore Sports Council.

\*

Delegates from more than 50 nations attended the first **World Congress of Disabled Peoples**, which was held in Singapore from November 29–December 5.

It was the culmination of dedicated organization by a steering committee formed in mid-1980 in Winnipeg, Canada, under the chairmanship of Mr. Henry Enns. The Canadian International Development Agency (CIDA) provided financial support to help defray the costs of delegates from developing countries to the world congress. Canada was also instrumental in securing recognition and financial assistance for the congress from the United Nations. In 1976, Canada was one of the first countries to speak in favour of the United Nations resolution to proclaim 1981 as the International Year of Disabled Peoples (IYDP).

The 400 delegates to the congress in Singapore discussed the problems of the more than 500 million disabled people around the world.

The delegates also approved a constitution, a manifesto, and a plan of action for Disabled Peoples' International (DPI), the new organization established at the congress. These will be submitted to the United Nations along with a request for consultative status for DPI. Mr. Ron Chandran-Dudley of Singapore was elected the Chairman of the World Council of DPI.

## THAILAND

The Chairman of the first World Congress of Disable Peoples Henry Enns visited Thailand in December as part of his activities in highlighting the **International Year of Disabled Peoples**.

Mr. Enns, who is a physically disabled Canadian, indicated that the recent world congress emphasized the need for disabled people in developed countries to lend their support to those in the developing world.

The specific aims of Mr. Enns Thailand visit were to encourage handicapped persons to form their own organizations and to publicize the needs of the disabled peoples in Thailand.





*At the conclusion of the inauguration of an agreement between the Canadian University Services Overseas (CUSO) and Thailand's Department of Technical and Economic Co-operation (DTEC) to implement a project to assist citizens living in north-east border regions of Thailand, DTEC's Director General Apilas Ostananda (l) and Canadian Ambassador Fred Bild shake hands. Director of CUSO Thailand, Paul Turcot, looks on.*

Canadian University Services Overseas (CUSO) entered into an agreement with Thailand's Department of Technical and Economic Co-operation (DTEC) in October to implement a \$3.5-million project to assist citizens living in north-east border regions of Thailand.

The project is designed to achieve integrated village development in Surin province by increasing productive employment in rural areas. The rural people themselves will participate in establishing priorities, creating plans, and the management of programs. Individual programs will consist of interrelated components, including health, education, agricultural development, and income-generating activities. Villagers, young and old alike, will be actively enlisted, with a resulting improvement to the quality of life of some 30,000 Thai citizens living in 53 villages along the Thai-Kampuchea border.

The funding to carry out this project will be provided over a four-year term by the Canadian International Development Agency (CIDA), while the implementation will be conducted jointly by CUSO, on behalf of Canada, and DTEC, on behalf of Thailand.

Ambassador Fred Bild, who represented the Government of Canada at the inauguration ceremony held at DTEC, said that he was most pleased to see this concrete demonstration of concern for Thai citizens who have borne the brunt of the continuing refugee problem along Thailand's eastern border. He also said it is hoped that the project will double the incomes of the villagers involved while providing expanded health care facilities, assisting schools, and improving water resources in the area. But, most important, it is planned that this project be both self-generating and

self-sustaining so that the Thai people will continue to benefit in the future.

\*

The Senior Vice-President of **de Havilland Aircraft of Canada Limited**, Mr. Douglas Annan, visited Thailand for three days early in December, 1981 to meet members of the Thai aviation community.

De Havilland produces a range of short take-off and landing aircraft for civilian and military use, including the DASH-7, the Twin Otter, and the Buffalo.

Elsewhere in ASEAN, the Indonesian company P.T. Pelita Services is scheduled to take delivery this month of the first

of three DASH-7 aircraft purchased to serve in the country's oil operations.

\*

The National Defence College of Canada is visiting Thailand in late January as part of its field study tour of Asia and Africa.

Led by the commandant of the college, Major General L.V. Johnson, the 52-member group will receive briefings on the political, economic and military situations in the region from the Thai Ministry of Foreign Affairs, National Security Council, and the staff of the Canadian Embassy.

The National Defence College is the senior Canadian government institution for learning and development for senior Canadian Forces' officers and executives from both the private and public sectors in Canada.

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Thailand's new **Ambassador to Canada** is Mr. Vitthaya Vejajiva who has replaced H.E. Chinda Attanan. Mr. Vitthaya is a 45-year-old lawyer who trained at Cambridge and later at Harvard where he received his Masters of Law. His previous overseas assignments included Singapore and London.

In the Foreign Ministry Mr. Vitthaya has worked within the Treaty and Legal Department, Political Department and Passport Department. He was Secretary to the Minister for Foreign Affairs from 1973-75 and subsequently Director of the Policy and Planning Division. Prior to being named Ambassador to Canada Mr. Vitthaya was Director-General of the ministry's Economic Department. He is married to Mrs. Orasa Vitthaya.



*Mr. Douglas Annan (l), Senior Vice-President of de Havilland Aircraft of Canada Ltd., uses a model to describe the Buffalo aircraft to the Managing Director of Thai Airways Co., Air Marshal Prayuth Prachoum, and the newly-appointed Thai Ambassador to Canada, Mr. Vitthaya Vejajiva (r) at a reception in Bangkok.*



Canada's International Development Research Centre (IDRC) is providing financial and technical assistance to two projects in Thailand which should lead to improvements in the production and handling of fish and vegetable products.

The first project involves the provision of financial assistance to the National Inland Fisheries Institute (NIFI) for the establishment of a fish genetics unit to improve fish stocks that will be used for aquaculture and for the stocking of inland waters. This project will complement recent efforts by the Thai Department of Fisheries to improve fish production from inland fresh water resources in order to alleviate current and anticipated shortages of fish protein in Thailand. The NIFI, which is part of the Thai Department of Fisheries, was created in 1975 with assistance from the Canadian International Development Agency (CIDA).

The second project is in the form of a grant to the Faculty of Engineering at Chiang Mai University which is working on the development of a storage system that employs passive cooling for fruits and vegetables. The aim of this project is to construct a cooling system that is simple, inexpensive and requires a minimum of skill to maintain. Because it will be used in remote locations and must be within the technical and economic reach of the villagers, the final design will not depend on an external power source.

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The President of the Association of Thai Industries, Mr. Thaworn Phornprapha, visited Canada for 10 days at the end of October, 1981, to promote closer links between the private sectors of the two countries.

On his first day in Canada, Mr. Phornprapha met with his Canadian counterpart, President of the Canadian Manufacturers' Association, Mr. Roy Phillips, in Toronto. They compared notes on the structure and operations of their respective organizations and reviewed the current status of Canada-Thailand trade and investment. A number of avenues for mutual assistance were identified and both men agreed to employ the services of their associations to promote links between companies in both their nations.

Mr. Phornprapha met with many senior Canadian businessmen during a very busy schedule which took him across Canada to Calgary and Vancouver. He informed representatives of the largest banking, mining, retailing, and oil and gas firms in Canada about investment opportunities in Thailand, and some have since followed up with return visits to Thailand.

## News Briefs

A Canadian-developed drug used by patients suffering from hypertension, angina, and glaucoma has been shown to reduce the risk of deaths from recurrent heart attacks by 40 per cent. In a study of the drug, which was discovered in 1967 by a Montreal chemist, the mortality rate among high-risk patients had been cut by 49.6 per cent. Sudden deaths were reduced by 44.6 per cent in all-risk groups and by 56 per cent in the high-risk group.

Roland Galarneau of Hull, Quebec, Canada, has developed a computer terminal with a braille printer that will allow blind people to receive information from basic sources such as dictionaries and from data banks such as Telidon, which includes news stories, advertising and educational services. The culmination of 20 years of work on various computer systems, his Microbraille terminal resembles a regular computer terminal without the viewing screen. Connected by phone to a data bank, it prints the same information in braille—at about one line per second.

The Ontario Science Centre, Toronto, Canada, has signed an agreement with China for a major exchange of exhibits. The agreement is with a preparatory committee of the Chinese Palace of Science and Technology, which is to be constructed in Peking. The Chinese sent exploratory delegations throughout the United States and Europe before deciding on the Ontario centre's format for public exposure to science in a "hands-on" exhibit context.

A two-week seminar designed to assist the People's Republic of China (P.R.C.) in market research and the promotion of its exports was held in Hull, Canada, recently. Twenty-five commercial officers from Beijing and the P.R.C. missions abroad attended.

The seminar covered a wide range of export-related topics, including the organization of a trade commissioner service, personnel selection and management, establishment of work programs and reporting services, joint ventures and financing. Speakers were drawn from the public and the private sector and included Canadian trade commissioners who recounted their experiences.

The seminar was financed by the Canadian Industrial Development Agency (CIDA) through its regular grant to the International Trade Centre (ITC), Geneva, Switzerland. ITC collaborated closely with the body responsible for organising the seminar—the Trade Facilitation Office, which was established by the Industrial Co-operation Division

of CIDA with a mandate to provide assistance to developing countries in promoting their exports to Canada.

At the end of the seminar the participants paid one-day visits to the regional offices of the Department of Industry, Trade and Commerce in Canada to see how federal/provincial co-operation in export trade can work.

Forty-eight scholarships for Third World students to study at Canada's Pearson College near Victoria, British Columbia, were provided for 1981-82 through a \$600,000 program shared by Pearson College and the Canadian International Development Agency (CIDA).

Pearson College offers a unique form of global education, promoting increased understanding and co-operation among students of 50 nations. Its share of the funds for this innovative program were raised from the private sector.

The CIDA awards were provided on a regional basis, depending on a sufficient number of suitably qualified students from each of the following regions: Asia and the Pacific, Caribbean, Commonwealth Africa, Francophone Africa, and Latin America. The recipients will be required by Pearson College to engage in voluntary service within their own or other developing countries for a period of at least one year upon completion of their studies at the college.

De Havilland Aircraft of Canada Limited, Toronto, and General Motors of Canada Limited, Oshawa, Ontario have received contracts from Australian companies. De Havilland received a \$37.6-million order for eight DASH-8 aircraft and GM received a \$30.7-million contract to provide 25 Titan trucks to the Australian companies of Blackwood Hodge Pty.

Dome Petroleum Limited of Calgary, Alberta, has signed a 20-year agreement to sell 2.6-million tonnes a year of liquefied natural gas to four Japanese utility companies. The agreement with NIC Resources Incorporated, a subsidiary of Nissho-Iwai Corporation of Japan, is subject to regulatory approvals. The agreement will require the construction of a plant on Canada's west coast to liquefy the natural gas, as well as four tankers and other installations.

Two researchers at the Canadian University of Sherbrooke, Quebec, have discovered a way to dispose of a noxious pollutant and at the same time considerably increase the resistance of concrete to compression.

Their work began at the request of a company which specializes in the manufacture of silicon and ferrosilicon. These are obtained when quartz is



reduced by carbon in an electric arc. As a by-product, the process creates particles of vitreous silica 100 times finer than ordinary cement.

The researchers proved that, under certain circumstances, a kilogram of silica dust produces the same resistance to compression as six kilograms of cement. To solve the problem of practical and economic transportation of the dust in bulk for its inclusion in cement, they developed a method of granulation based upon the addition of a small amount of a binding agent, which creates granules that are sufficiently solid to be handled without special precautions.

A new agreement on trade and economic co-operation between the Government of New Zealand and the Government of Canada was signed recently, replacing the 1932 Canada-New Zealand Trade Agreement. The new agreement provides a framework for further strengthening economic co-operation between the two countries. Both countries will maintain preferential tariff treatment for each other's products and have undertaken to provide compensation should one side's benefits under the agreement be impaired by increases in statutory duty rates or by any changes in other import restrictions. The Consultative Committee established under the new agreement will be useful for promoting increased industrial and technological co-operation, including joint ventures between Canadian and New Zealand companies.

Mexico's second-largest city, Monterrey, has chosen Canadian equipment worth close to \$400 million for its proposed subway system.

The Canadian International Development Agency (CIDA) has signed an agreement with the Urban Transportation Development Corporation of Toronto, to carry out a study on urban transit in Cairo, Egypt. The Urban Transportation Development Corporation will receive a \$250,000 grant to direct a study team composed of the Toronto, Montreal and Calgary transit commissions and two firms — Lavalin International Incorporated and Phaneuf, Gravelle, Blain and Associates.

Saudi Arabia's Minister of Posts, Telegraphs and Telephones Alawi Kayal visited Canada recently and signed a letter of understanding between the two governments for the establishment of a spectrum management system in Saudi Arabia by the Canadian Commercial Corporation, a federal Crown agency.

The spectrum management system would provide a program identical to that of Canada's for allocating

frequencies across the electromagnetic wave spectrum to broadcasters and telecommunications companies to prevent interference.

In addition sale of monitoring equipment and physical plant would be likely. The agreement would consist of manpower, technical expertise and hardware.

The Saudi Arabian government is also evaluating Canada's federal office communications program and Canadian word-processing technology.

Senior executives from Bell Canada recently met in Canada with Saudi Arabia's Minister of Posts, Telegraphs and Telephones Alawi Kayal to discuss the extension of a \$1.4-billion contract the company has with Saudi Arabia to provide management and training services. Bell Canada currently has 650 managers in Saudi Arabia. The number of telephones in Saudi Arabia has risen to 750,000 from 130,000 since Bell Canada began its contract almost four years ago.

A company in Ottawa, Canada, is producing a computer-controlled thermostat that assists in energy conservation. Valera Electronics Incorporated, developed the thermostat in conjunction with the National Research Council of Canada.

The new device, which is about the size of a pocket calculator, is designed to replace a conventional home thermostat with a "thinking" temperature controller programmed by the homeowner. Once the series of time and temperature settings is registered on its simple eight-button keyboard, the small computer takes command of the furnace or central air conditioner and raises or lowers the home temperature accordingly. As many as four temperature changes a day are possible.

The solid-state device also gives an alternating readout of time and temperature, serving as an accurate thermometer and digital clock. It uses little power and has no moving parts.

Northern Telecom International Ltd., which is a subsidiary of Canada's largest manufacturer of telecommunications equipment, and the Bermuda Telephone Company Ltd. have signed a \$9-million contract to modernize the telecommunications network of the Atlantic resort island. It will be the first national telecommunications network to be changed over from the traditional analog technology to digital.

Hemton Corporation of Ottawa, Ontario, has been awarded a three-year contract by the Graham Poulter Group of Britain for the supply of specialized

Telidon display and image creation terminals. The British company, an advertising and communications agency, will buy at least \$500,000 worth of equipment and services from Hemton in the first year of the contract. The Telidon equipment will be used for internal business information display systems in major corporations, point of purchase displays for retailers and numerous advertising and audio-visual applications.

The University of British Columbia has established a 56-acre research park on its campus. "Discovery Park UBC" will help develop advanced technology related to the expertise of UBC faculty members. The park is expected to enhance educational programs for students, particularly at the graduate level, and foster collaborative research among government, industry and the university. The park was funded through the province's Discovery Foundation, which has three other research parks—at Simon Fraser University, the University of Victoria and the British Columbia Institute of Technology.

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For further information on material contained in this publication please contact the nearest Canadian diplomatic mission.

Thailand:

Canadian Embassy, Boonmitr Bldg.,  
138 Silom Road, Bangkok 5.  
Tel. 234-1561,-8.

Indonesia:

Canadian Embassy, Wisma Metropolitan,  
Jl. Jendral Sudirman, Jakarta.  
Tel. 584030,-9.

Malaysia:

Canadian High Commission, American  
International Assurance Bldg.,  
Ampang Road, Kuala Lumpur.  
Tel. 89722,-3,-4.

Philippines:

Canadian Embassy, Cilebes Bldg.,  
6780 Ayala Ave., Makati, Metro  
Manila. Tel. 87-78-46.

Singapore:

Canadian High Commission, Faber  
House, 230 Orchard Road, Singapore  
0923. Tel. 737-1322.

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