

the two countries. At the same time, their Minister of Foreign Trade visited Canada where he opened a Chinese trade fair and discussed with his Canadian counterpart the prospects for trade relations between the two countries.

In the aftermath of these visits, numerous delegations were soon crossing the Pacific in both directions. On the Chinese side, technical groups in the fields of energy, mining, electricity, chemistry, physics and health came here to acquaint themselves with the state of these sciences in Canada. On the other hand, Canadian businessmen and technical personnel from the mining and metallurgical industries visited China for the same purpose. In the field of sports, Chinese and Canadian athletes exchanged visits and a company of Chinese acrobats toured four Canadian cities.

On the trade side, China honoured its commitment to purchase Canadian wheat, and further wheat sales were announced at the end of the year. The Canadian trade fair in Peking and the subsequent visits of Chinese trade missions resulted in substantial sales of potash, nickel and scrap iron to China. Moreover, the two countries agreed to establish an air route between Canada and China.

All these exchanges contributed to the assertion of a Canadian presence in China at a time when Peking was resolutely moving toward normal relations with the greater part of the Western world. In Canada they promoted a better understanding of China, while for China they facilitated contacts with Canadian commercial as well as cultural and scientific circles. The interest raised in Canada by these developments has been and will continue to be translated into demands for further exchanges on a broader and more varied scale.

Indochina

The Canadian Government's primary objective in Indochina since 1954 has been to contribute in every possible way to bringing peace and security to the peoples of that region. This has been pursued mainly through Canada's presence on the three International Commissions for Supervision and Control (ICSC) in

Viet-Nam, Laos and Cambodia, which were established in 1954 under the provisions of the Geneva Accords.

Except in their early stages, unfortunately, these Commissions have never been particularly effective, and 1972 was no exception. Although developments toward the end of the year pointed to the possibility of peace in Indochina, the early part of 1972 brought a major offensive by North Vietnamese and local Communist forces in South Viet-Nam, which triggered in response a resumption of heavy U.S. bombing in North Viet-Nam. The ICSC for Viet-Nam was as usual powerless to prevent or to halt such operations. The intensity of the fighting in South Viet-Nam spilled over the borders into Laos and Cambodia and the situation deteriorated seriously in both countries. The ICSC in Laos was unable to play any constructive part in helping to restore peace, while in Cambodia the ICSC played no role whatever, having been adjourned *sine die* in 1969 at the request of Prince Sihanouk.

In October, the question of Canadian participation in a new peacekeeping operation was broached. However, by the end of the year the anticipated cease-fire had not been agreed upon by the belligerents and Canada's participation remained hypothetical.

Canada's secondary interest in Indochina is related to the first: improving the quality of life of the peoples of the region through economic assistance and humanitarian programmes administered by the Canadian International Development Agency. Emphasis continued to be placed upon emergency and humanitarian relief needs, primarily in the medical (rehabilitation and public health) and social sectors. In 1972, the South Vietnamese Government assumed full control over the operations of the Quang Ngai tuberculosis control centre which had received Canadian technical and capital assistance. Canada had also given \$2 million in the last few years, through the Mekong Committee, to assist in the first stage of the Nam Ngum Hydro-Electric Project in Laos, which went into partial operation in 1972, and work continued on the Prek Thnot Hydro-electric Project in Cambodia, to which Canada is also contributing \$2 million. The results of these modest efforts have been encouraging, and Canada has stated its intention to play its full part,