

Australia and New Zealand

The increasing sophistication of Canadian-Australian relations continued in 1975, with direct benefit to Canada's global foreign policy objectives. The year was marked by visits of parliamentarians and senior government officials in both directions, including that of the Canadian Minister of Veterans Affairs, Daniel MacDonald, who also visited New Zealand.

Canada continued as Australia's fifth-largest supplier, with an encouragingly high proportion of sales in the form of fabricated materials and end-products. In view of various restrictions imposed in 1974, it was not possible in 1975 to continue the phenomenal rate of growth in trade achieved during 1972-74, but there remained little doubt at the year's end that Australia would continue to be an attractive market.

Mutually-instructive consultations were maintained between the two countries on international trade and economic issues. An identity of views was apparent on law-of-the-sea questions, on immigration and customs-control problems and on the importance of the Asian and Pacific region in serving national interests, though approaches to some regional issues were not always the same. ASEAN (the Association of South-East Asian Nations, which includes Indonesia, Malaysia, the Philippines, Singapore and Thailand) was recognized as a significant multilateral instrument with potential for conciliation of past differences and conflicts in the region. The closest possible co-operation was achieved between the two countries in the Non-Proliferation Treaty Review Conference. A welcome development in the field of consultations on foreign policy matters was the inauguration at the end of 1974 of annual senior officials' meetings, with the visit to Ottawa of the Secretary of the Australian Department of Foreign Affairs, Mr. A. P. Renouf.

Comparisons of Canadian and Australian experience in dealing with economic and social problems, including those of indigenous peoples, continued to represent a significant element in bilateral exchanges.

While Canada's relations with New Zealand are of a different order of magnitude from those with Australia, they are no less intimate and fruitful. After a number of years of growth, trade levelled off in 1975. Consultations between the two governments, both formal and

informal, encompass almost the entire range of governmental activity. In September, the third meeting of the New Zealand-Canada Consultative Committee was held in Ottawa.

Korea

Korea's importance to Canada stems not only from its rapidly-developing economy, which offers promising commercial possibilities, but also from its difficult political and security situation, which has serious implications for the Pacific region as a whole. Canadian-Korean relations were advanced this year, particularly by the June visit of Mr. MacEachen to Korea, during which he had talks with President Park Chung Hee. Canada was also an active participant in this year's UN debate on the Korean question, which sought agreement on new ways to reduce tensions on the peninsula.

ASEAN

Canada's ties with Indonesia, the fifth most-populous country in the world, have been expanding over the past several years and entering a more mature phase. Canada has one of its largest bilateral development-assistance programs in that country, and commercial relations — both trade and investment — have been increasing.

Expanding relations between Canada and Indonesia were highlighted in July 1975 by the visit to Canada of Indonesian President Soeharto. During this visit, a memorandum of understanding between the two governments was signed, and their representatives entered into negotiations to conclude agreements to establish credit facilities for \$200 million to help Indonesia purchase Canadian goods and services. Of these credits, \$25 million will be made available by the Canadian International Development Agency (CIDA) and \$175 million by the Export Development Corporation and Canadian financial institutions.

In Canada's relations with Malaysia, Singapore and Thailand, emphasis has been on expanding mutually-beneficial trade relations. With Malaysia and Singapore, Canada also has traditionally-close ties within the Commonwealth framework.