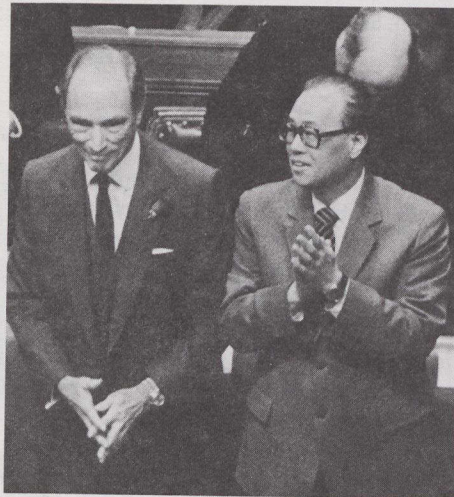


Visiting Chinese Premier applauds Prime Minister's peace initiatives

China's Premier Zhao Ziyang, the highest-ranking Chinese official to come to Canada arrived in Ottawa January 16 for a seven-day visit. He was welcomed at Ottawa International Airport by a Canadian delegation led by External Relations Minister Jean Luc Pepin. In a brief statement, Mr. Zhao offered "friendship and peace", as a 21-gun salute was heard.

The next day, referred to by Prime Minister Trudeau as a "unique and momentous occasion", Premier Zhao addressed a joint session of the Senate and House of Commons, the first Communist leader to do so. He began by offering support of Mr. Trudeau's peace initiatives. "We appreciate the efforts made by Prime Minister Trudeau to safeguard world peace, relax international tension and promote nuclear disarmament," said Mr. Zhao. "We support his appeal for the participation of more political leaders in the cause of safeguarding world peace. We would like to continue consultations with Canadian leaders on these issues."

Premier Zhao went on to review relations between China and the United States, stating that "fairly big progress" had been made since the establishment of Sino-US diplomatic relations. "However," he added, "the main obstacle is the question of Taiwan. During my visit to the



Premier Zhao Ziyang applauds Prime Minister Trudeau's introduction before addressing a joint session of Parliament.

United States I held friendly, candid and serious talks with President Reagan and other leaders of the US government. The American side once again affirmed the above principles. We hope that the two sides will work together, strictly abide by the mutually agreed principles in their action and truly fulfil commitments already made, so that Sino-US relations may take the path of steady development."

The Premier also expressed optimism for the outcome of Sino-British negotiation over the future of Hong Kong. He stated that, in 1997, it will become a special administrative region of China administered by the Hong Kong people, while maintaining its financial independence and its status as a free port and international financial centre.

Speaking about the present state of Sino-Soviet relations, Premier Zhao said that these did not enhance world peace, and normal relations could begin only when the Soviet Union stopped supporting Vietnam's occupation of Cambodia and withdraws its troops from China's northern border. In three rounds of discussions, he said, Soviet representatives had refused to consider those concerns.

Mr. Zhao also emphasized that China would focus in the next ten years on energy, transportation and communications to modernize its economic system and would be looking for advance technology and equipment from other countries.

The Chinese Premier held extensive talks with Prime Minister Trudeau and members of his Cabinet, concentrating

largely on international questions and bilateral issues, including discussions on expanded Canadian exports to China. Canadian participation in up to ten major projects in China and possible Chinese investment in Canada's pulp and paper, potash, timber and sulphur industries were also discussed.

Premier Zhao concluded his stay in Ottawa on January 19, leaving for visits to Montreal, Toronto and Vancouver, where he met with provincial authorities and leaders of local Chinese communities. He also met with Premier Lévesque of Quebec and Premier Bennett of British Columbia, both of whom were invited to visit China.

While in Vancouver, Premier Zhao announced that China would participate in Expo 86 (the World Transportation Exposition) to be held from May to October 1986 in Vancouver.

Agreements signed with China

During Premier Zhao's visit to Toronto, Spar Aerospace Ltd. signed a contract worth more than \$20 million to provide 26 satellite earth stations plus telecommunications equipment and technology to China.

Larry Clarke, chairman of Spar, said the company hopes for follow-up orders because the contract represents the first step in the development of a full domestic satellite communications system in China. Joint ventures and joint marketing of other high-technology equipment could also follow.

Chinese engineers will train at the Spar satellite communications equipment plant in Montreal, and Spar engineers will help the Chinese set up equipment manufacturing, test and assembly operations in China.

Spar has sold similar satellite communications systems to Brazil and has proposed another system for Nigeria.

A bilateral Foreign Investment Insurance Agreement between Canada and China was also signed during the Chinese Premier's visit. Tied directly to the Export Development Corporation's Foreign Investment Insurance Program, the agreement is designed to foster increased trade and investment to the mutual benefit of the two countries.

Canada has signed 34 similar agreements with countries in Asia, Africa, the Caribbean, Europe and the Pacific. Negotiations continue with 18 other nations.



Canapress photos

Prime Minister Pierre Trudeau (right) greets Chinese Premier Zhao Ziyang as he enters the House of Commons.