



Canada's Secretary of State for External Affairs and India's Minister of Finance V.P. Singh exchange instruments of ratification for a line of credit agreement.

ing village and toured a modern dairy.

In two days in New Delhi, Mr. Clark met with President Giani Zail Singh and held discussions with Prime Minister Rajiv Gandhi, Foreign Minister Bali Ram Bhagat and other ministers.

Against terrorism

In a meeting with Mr. Bhagat, Mr. Clark expressed Canada's concern about allegations that Indian agents were operating in Canada under diplomatic cover and outside normal intelligence channels. India endorsed a Canadian offer for increased co-operation between their intelligence agencies concerning the activities of terrorists.

Mr. Clark gave Mr. Bhagat a draft bilateral extradition treaty. The Canadian government has already lifted a 17-month moratorium on

deporting Indians seeking asylum in Canada as refugees. As many as 2 000 Indians may be affected.

Canada has also unilaterally provided an interim extradition plan which took effect October 31.

There are about 250 000 Canadians of Indian origin, more than 80 per cent of whom are Sikhs. Both ministers stressed that the "overwhelming majority of Sikhs" in Canada and India are moderates who are very concerned about extremist elements.

In a speech during a lunch with Indian business executives Mr. Clark said that Canada wants "to ensure that the violent activities of a few do not threaten the co-operation and friendship that the vast majorities of both our countries seek".

Increasing trade

Mr. Clark also addressed economic relations between Canada and India in his speech to the business leaders. He pointed out that over the past three decades Canada has contributed more than \$2 billion to India in development assistance and that this aid will continue to be a priority.

Mr. Clark stressed, however, that Canada and India were on the threshold of "a new era of economic co-operation" and that "the Asia/Pacific region is a prime focus for our trading efforts".

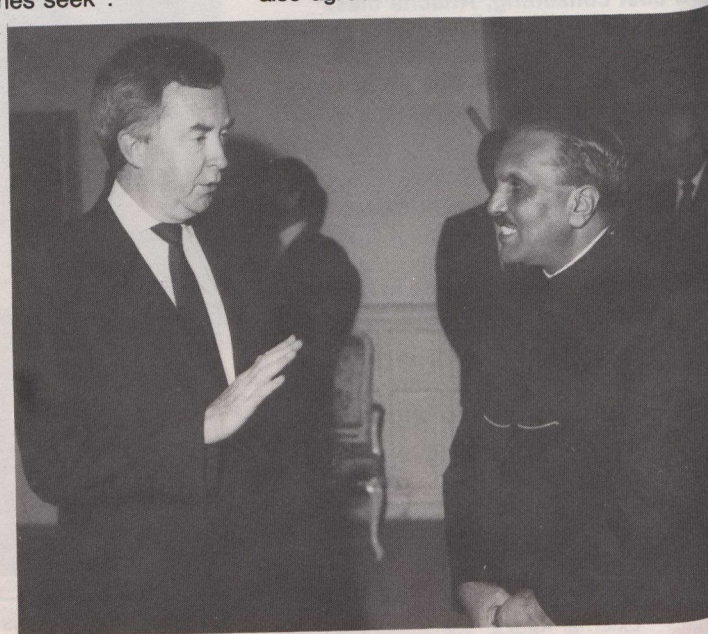
Two-way trade between the countries amounted to \$615 million in 1984 representing a large increase over the \$362 million in trade in 1983. Bilateral trade is expected to surpass \$750 million in 1985.

While Canada's exports to India were initially in the form of commodities, the markets for manufactured goods are expanding. Canadian firms are actively pursuing opportunities for industrial co-operation, including joint ventures and technology transfers.

Mr. Clark suggested areas of "Canadian strength and expertise" that Canada wants to help develop in India, include power generation, mining machinery, aircraft, engineering services, defence products and avionics.

A protocol for a Canadian line of credit amounting to \$198 million, which will draw funds from both the Export Development Corporation and CIDA, was signed while Mr. Clark was in India. The line of credit will assist India in purchasing goods and services from Canada to improve domestic oil and gas production and reduce oil imports.

A further measure to help expand bilateral trade will be the opening of a Canadian trade office in Bombay. Mr. Clark and Mr. Bhagat also agreed to meet at least once a year.



Mr. Clark held discussions with Prime Minister Rajiv Gandhi in India (left photo) and President Zial-ul-Haq in Pakistan.