
South Asia

Indochina

On May 9 the Secretary of State for External Affairs announced that the Canadian Delegation to the International Commission for Supervision and Control in Laos would be withdrawn from Vientiane on June 15, thus bringing to an end 20 years of Canadian participation in the work of the International Commissions in Indochina.

Canada and Laos agreed on June 15 to establish diplomatic relations and to exchange ambassadors.

Laos and the Republic of Viet-Nam took part in the International Youth Festival which was organized by l'Agence de Co-opération culturelle et technique, and held in August in Quebec City.

Canada continued to be responsive to the requirements for humanitarian relief and emergency aid in Indochina, especially in the social and medical fields. It also indicated its continuing resolve to share in special reconstruction programs once peace was restored in Indochina.

Other relations in the region

Canada's relations with Thailand and Burma continued to develop satisfactorily and Canada continued to make a modest contribution to the economic and social development efforts of those countries. There was a further increase in trade with Hong Kong, where immigration remained a major interest for Canada since Hong Kong was not only in itself in the top five sources of immigrants to Canada but provided a focus for immigration from the East Asian region as a whole, including the successful Canada-China family reunion program.

Canada's relations with South Asia in 1974 were affected by two major factors, the severe impact on the countries of the subcontinent of the global economic crisis and the carrying out of a nuclear explosive test by India.

India, Bangladesh and Sri Lanka, and to a lesser extent Pakistan, were among the countries of the world most severely affected by increased energy import costs, world food shortages and inflation. The new situation completely disrupted economic development plans and forced these countries to seek greatly increased international assistance in order to feed their populations. Food production shortfalls in the region were made more serious by lack of fertilizers and a succession of natural calamities ranging from drought and crop failure in Pakistan, Sri Lanka and large portions of India to extensive flooding in Bangladesh and in parts of India.

Canada's response was a considerable increase in aid allocated for food and fertilizer. At the special UN Assembly in April 1974 Canada pledged an additional \$100 million for food and fertilizer, of which the major share was given to the countries of the subcontinent. At the World Food Conference in Rome in November, Canada agreed to commit one million tons of grain for world food programs in 1975 and to give increased assistance for the development of agriculture. The countries in South Asia will be the main focus for these programs.

Relations between Canada and India were sharply affected by the carrying out by India of a nuclear explosive test in the Rajasthan desert on May 18. The Government's reaction to this event was influenced by the fact that for over 20 years Canada had made a major contribution to India's development of nuclear energy for peaceful purposes. The Indian Government informed the Canadian Government that their nuclear explosive test was entirely for peaceful purposes and that they did not intend to manufacture nuclear weapons. The Canadian Government was concerned that