

The program, which is administered by the Canadian International Development Agency, concentrates on human resource development, agriculture, forestry and energy. It includes language and management training both in Canada and in China, livestock and crop improvement projects, forest management and forest fire detection, assistance in oil and gas development, and research at electrical power institutes.

Mr. Mulroney also announced that the Export Development Corporation (EDC) will provide \$350 million at concessional rates for commercial projects in China to be awarded to Canadian firms.

Further, a \$300 000 fertilizer bulk blending plant will be given to the people of China from the people of Canada. It will help Chinese farmers obtain the appropriate mix of fertilizer ingredients for local conditions in a convenient form. This system is in widespread use in Canada.

One of the ingredients of the blended fertilizer will be potash from Canada. Saskatchewan, the world's major source of potash, has been the largest supplier of this mineral to China for many years.

Mr. Mulroney underlined the need for closer economic ties in his speech to the Canada-China Trade Council. Canada is ready as never before to expand its trade and economic relations with China, he said. China has special priority as Canada adapts its trade strategy to focus on Asia.

Canada could assist Chinese economic development in agriculture, forestry, energy, mining, manufacturing and communications, the prime minister said, naming 20 Canadian companies or projects in China. Mr. Mulroney said the opening of the Canadian consulate general in Shanghai will help facilitate bilateral trade.

At a special ceremony on May 10, Mrs. Mila Mulroney presented a cheque



*Mr. and Mrs. Mulroney on China's great wall.*

for \$7 000 dollars to Deng Pufang, head of the China Fund for the Handicapped, to buy video and camera equipment to create teaching materials to train professionals and technicians working with the handicapped.

During the presentation Mrs. Mulroney expressed her pleasure that the Canadian International Development Agency had approved a \$1.13-million co-operative program between the China Fund for the Handicapped and the Ottawa Civic Hospital. It will bring up to 60 Chinese doctors to Canada to be trained for a new rehabilitation centre for the handicapped being constructed in Beijing.

### Trade expansion with Korea

In the Republic of Korea, May 12-15, where he met with President Chun Doo Hwan and Prime Minister Lho, Mr. Mulroney said that the "visit is an expression of my government's emphasis on an increasing role in the

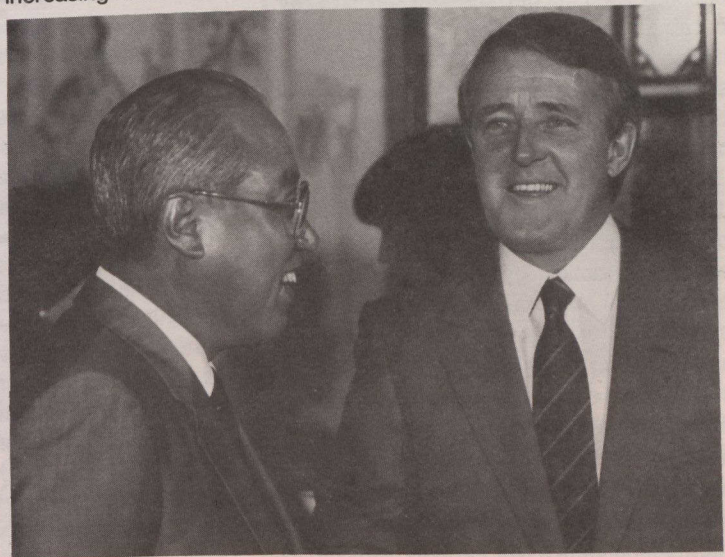
Asia-Pacific region". He added that while there had been marked growth in the bonds of friendship and co-operation between Canada and Korea over the past few years, "we look forward to a healthy two-way expansion of the Canada-Korea bilateral trade relationship".

Currently, South Korea is Canada's fifth largest trading partner with two-way trade now approaching \$2.5 billion annually.

The imbalance of bilateral trade, with Canada importing significantly more than it exports to Korea, was discussed by Mr. Mulroney and President Chun Doo Hwan, who promised to redress some of the imbalance. The commitments included lowering of tariffs for canola, increasing Canadian shipments of bituminous coal, testing Canadian anthracite in anticipation of long-term contracts and maintaining Canada's share of the market for potash. Furthermore, assurances were obtained that current bids for nuclear reactors will be evaluated on the basis of efficiency and commercial and industrial benefits.

In a speech to the Pacific Basin Economic Council in Seoul, Mr. Mulroney suggested that Canada's service sector was a main area that should be considered for trade expansion. Canada "has highly-developed expertise in such sectors as banking, insurance, engineering, management consulting, computer software, and public administration", he said and countries in the Asia-Pacific area offer "new sources of technology and investment, new ideas about management and manufacturing techniques, and new possibilities in services — from fashion design to trading houses and export consortia".

Canada's traditional concerns for human rights were also reaffirmed during discussions between Prime Minister Mulroney and President Chun.



*Prime Minister Mulroney is greeted by Premier Zhao Ziyang in China (left photo) and Prime Minister Lho in South Korea.*