

up the great bulk of Canada's exports to China, the Chinese Premier went even further than his officials had in the past. The Chinese Government had already made it clear, before Mr. Sharp undertook his trip, that Canada would have a preference as supplier — in other words, the first opportunity of supply. In the course of his meeting with Mr. Sharp, the Premier noted that China was not short of food. China was currently producing enough food to feed itself, but it was deliberately exporting rice and importing wheat. Canada, therefore, could look upon China as a long-term market for Canadian wheat — not an "in-and-out" purchaser —

provided Canada was competitive with other potential suppliers.

The Chinese were also prepared to see Canada diversify its exports to China. "What is important about the Chinese attitude to trade is their insistence upon self-reliance," Mr. Sharp said. "And that means they are not going to be interested in importing consumer goods; they expect to produce them in China . . . What they are interested in is machinery, equipment, some raw materials perhaps, but principally production goods rather than consumer goods."

Mr. Sharp recalled that during his visits to Chinese cities such as Shanghai,

Beyond the fair...

Canada's first industrial exhibition in the People's Republic of China, held in Peking from August 21 to September 2, produced results on two levels. In specific terms, orders placed and contracts negotiated with Canadian exhibitors have been valued at \$25 million, and there could be more. In broader terms, the Canadian trade fair served as the focal point for the process of acquiring

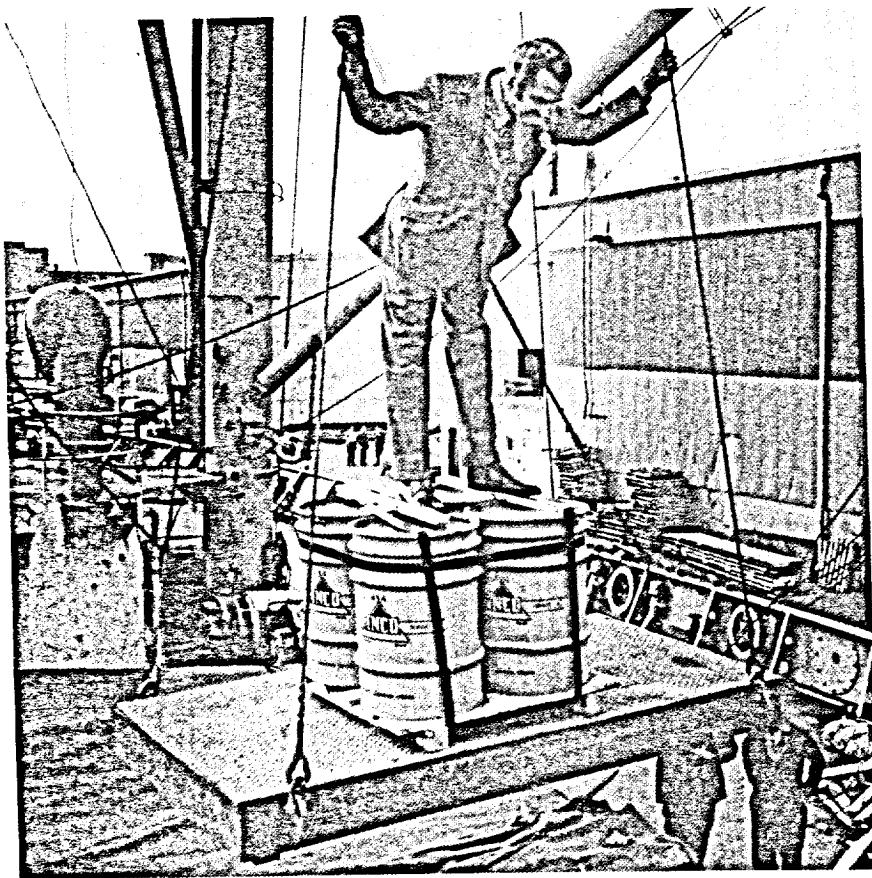
firsthand knowledge of the respective economic potentials of both countries, for the Chinese to learn about the range of products Canada had to offer and for the establishment of contacts. For example, there were opportunities for subsequent meetings between representatives of Canadian firms and those from China's state-trading corporations.

The fair itself, staged by some 550 Canadians from industry and government, attracted an estimated 250,000 visitors, including technical personnel from China's industrial and agricultural spheres.

A total of 219 companies and trade associations set out displays in 206 exhibit areas. Sectors represented ranged from aerospace and road, marine and rail transport to electricity and electronics, medical and pharmaceutical fields, forestry, minerals, mining and agriculture, including heavy off-the-road machines used in mining, forestry and agriculture.

Almost all the heavy machinery on exhibit was sold and orders were completed for electrical, geophysical-survey and medical equipment. Other contracts involved a large shipment of nickel, pulp and paper products, potash and livestock. Sales may be stimulated for light planes and offshore oil-drilling rigs, a category in which even one advanced unit would be worth \$25 million.

The fair, under the general direction of L. J. Rodger of the Industry, Trade and Commerce Department, was opened on August 21 by External Affairs Minister Mitchell Sharp, and was visited by Chinese Premier Chou En-lai and China's Foreign Trade Minister, Pai Hsiang-kuo.



Jean-Luc Pepin, at that time Trade and Commerce Minister, in Montreal Harbour gets an elevated look at the first

shipment of nickel bound for China after deal was concluded during 10-day Peking fair.