her allies, it was apparent to us that her decision was taken after a careful weighing of all the circumstances as the Government of that country saw them. I hope the decision of France to establish diplomatic relations with Peking will help to reduce Communist China's continuing isolation. The isolation of the Soviet Union between 1917 and the early 1930's is now recognized as having brought little benefit either to the West or to the Soviet Union.

I do not wish to leave the impression that it is the West which is mainly responsible for Chinese isolation. In fact, since the Communist Chinese took control of the mainland, they have often appeared to be pursuing a deliberate policy of severing contacts with the West. They have also sought to impose conditions upon those who were otherwise prepared to enter into relations with them. It must be frankly admitted that the experiences of some governments which extended recognition and sought to establish diplomatical relations were not as happy as those countries might have hoped.

Realizing the dangers inherent in Chinese isolation, Canada has, solike a number of other Western nations, encouraged increased contacts in the commercial and cultural fields with China; and I think this policy has been Fut wise and has met with success. Canadian trade with China continues at a relatively high level, and there are increased dealings between Canadian businessmen and the appropriate Chinese agencies. With a relaxation in the continues attitude, one Canadian newspaperman is now in mainland China, and the is the possibility of other correspondents being admitted. This could give Gen public greater first hand coverage of events and developments on the Chinese just mainland.

As part of this new development, we would be willing to receive an equivalent number of Chinese correspondents in Canada for the purpose of reporting -- and I emphasize the word reporting -- on the Canadian scene to be their home audience. It is our hope that such reciprocal arrangements could that in the long run, help to reduce the distortions which in the past have proved so dangerous to relations between Peking and the Western countries.

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International Position of Communist China

nov As far as the international position of Communist China is concernechi there are no simple solutions in sight. At the United Nations...Canada has by opposed resolutions calling for the expulsion of Nationalist Chinese represences atives and their replacement by representatives from Peking, on the grounds is that such resolutions make no provision for the right of the inhabitants of exc Formosa to self-determination and appropriate international status. Canadianson representatives at the United Nations have made clear the Canadian desire for National an equitable solution which would deal adequately with the Formosa problem and at the same time bring mainland China into the mainstream of international This was the position taken by the Chairman of the Canadian Delegatmod the present Leader of the Opposition in the other place, when he acted as Hesapa of the Canadian Delegation to the General Assembly of the United Nations in 1Ger I also agree with what the Right Hon. Leader of the Opposition said in the 'thi House of Commons on July 25, 1963: Uni