

The Secretary of State for External Affairs, the Hon. Mitchell Sharp, met with Prime Minister Chou En-lai last evening, Aug. 19, and had talks with him which lasted just over three hours. Their talks were conducted in the same relaxed and candid atmosphere which characterized the meetings held between the two foreign ministers.

Prime Minister Chou En-lai expressed his satisfaction at the successful outcome of the discussions that were held between the two foreign ministers and he agreed that future exchanges at various levels would be to the mutual benefit of the two countries. He expressed appreciation for the initiative of the Canadian government in establishing diplomatic relations with the People's Republic of China and for Canada's support for the seating of the representative of the People's Republic of China in the United Nations.

Prime Minister Chou En-lai particularly welcomed the development of trade between Canada and China and he hoped it would continue to increase. He reiterated China's intention to consider Canada first as a source of wheat and he indicated that Canada could count on China as a long-term customer. He showed a special interest in the Canadian trade exposition about to open in Peking and he thought this would be of considerable benefit in developing trade between the two countries. He also looked forward to the conclusion of an air agreement which would greatly improve and facilitate contacts between Canada and China.

During the talks Prime Minister Chou En-lai spoke warmly of the memory of Dr. Norman Bethune whom all China held in such high regard and he noted with pleasure the Canadian government's decision to honour his memory in Canada.

Other subjects discussed in the talks ranged on a variety of matters -- the world situation, security issues and disarmament, particularly in the U.N. context, other U.N. questions, economic development patterns, trade, pollution and our bilateral relations.

The Prime Minister showed a keen interest and knowledge of Canada and its economic and social development. Throughout the talks he displayed an impressive breadth of vision and a remarkable -- indeed fantastic -- knowledge and grasp of detail about all subjects which were discussed.

As Mr. Sharp was taking his leave the Prime Minister asked him to convey his best wishes to Gov. Gen. Michener and Prime Minister Trudeau.