

trade between the two countries amounted to \$132 million. By 1970 trade had expanded ten-fold to \$1,377 million. In Canada, Japan now ranks after the United States and the United Kingdom as our third most important trading partner. In Japanese perspective, Canada ranks after the United States and Australia as Japan's third most important supplier.

Canadian-Korean trade is at a more modest level, with the most-favoured-nation agreement between the two countries dating only from 1966. Bilateral trade has, however, jumped from approximately \$1.5 million in 1965 to over \$33 million in 1970. Canada follows the United States, Japan, Vietnam, Hong Kong, and West Germany as the sixth most significant purchaser of Korean exports. The 1970 trade figures also indicate that we are tenth highest in terms of countries importing into Korea.

Fifteen months ago the foreign policy paper entitled *Foreign Policy for Canadians*, predicted that the Pacific area was likely to continue to experience more rapid economic growth than the world at large. So far that prediction appears to be still accurate. The White Paper also said:

With a vast and varied potential, the Pacific area offers great challenges and opportunities for the growth of economic and commercial exchanges. The extent to which this potential can be developed will depend not only on deliberate and concerted efforts to understand and cater for the needs of the Pacific region markets, but on the establishment of a climate which minimizes conflict and instability.

That assessment remains equally valid, and the Government can claim to be contributing alike to the development of trade and to the reduction of conflict.

Some months ago when Canada recognized the People's Republic of China, a number of other countries clearly followed our lead. With the announcement last July of President Nixon's projected visit to Peking, the most crucial readjustment in Far Eastern political relationships appears to be in process of fulfillment.

During the past year the Canadian Prime Minister, the Minister of Finance, and other ministers have journeyed to the Far East. The Minister of Industry, Trade and Commerce led a mission to Hong Kong and China at the time that I visited Japan and Korea, and our colleague, Senator McNamara, was a member of that delegation. We travelled together as far as Tokyo where our paths

diverged. They went to Peking while I went on to Seoul from Tokyo. I understand that we can look forward to a report from Senator McNamara tomorrow on that important mission, of which he was a distinguished member. We have also had the advantage of the observations and reactions of the national leader of the Progressive Conservative Party, who spent some time in China and Japan in the month of July. Many businessmen also have visited the Far East, and many more will do so during the coming months.

It has not taken very many years for Canada to discover that it has very deep roots in Asia. We have always been a Pacific power, but the full implication of that has dawned on us only within recent years. I remember as a schoolboy reading of a visit of a former Canadian Prime Minister to India when he was Deputy Minister of Labour. To me at that time India seemed just as far away as I am sure it did to my contemporaries. Even before the beginning of World War II Asia did not have for us the significance that it has today. Our relations, of course, with the Commonwealth portions of Asia gave us contacts that were important and vital for the evolution of our foreign policy experience. Our relationships with Australia, New Zealand, India, Ceylon, Pakistan, Malaysia, and Singapore have given us strong attachments in Asia. These attachments continue to play a very important and very significant part in our foreign policy and have influenced greatly our approach to world problems. Now as a result of greater interdependence brought about by scientific achievement and the efficiency of the airplane, Asia is much closer to us, and the countries I have spoken of today have taken on a relationship of special significance, not only in terms of our trade interests but in terms of our political obligations as a country that wishes to make a solid contribution to international collaboration.

A stable political relationship, both for the preservation of peace and for the development of trade, is our aim. I should like to think that my visit, and the other visits to which I have referred, together with the report of the Standing Senate Committee on Foreign Affairs concerning the Pacific area, will contribute in some way to the furtherance of these aspirations which so many of us hold in common.

On motion of Hon. Mr. McNamara, debate adjourned.

The Senate adjourned until tomorrow at 2 p.m.