

## INTRODUCTION

1. The present report, the Committee's second for the twenty-eight Parliament, is closely related to the process of foreign policy review undertaken by the Government between 1968 and 1970. The product of that review, the series of six papers under the general title of *Foreign Policy for Canadians*, was tabled in the House of Commons on 25 June, 1970. On 8 October 1970, one of the papers, entitled *Pacific*, was referred by the Senate to this Committee.

2. The Pacific area, as defined in the Government's Policy Paper, includes more than twenty different countries and territories, encompassing well over one-third of the world's total population. Around the thousands of miles of the western Pacific rim is found impressive diversity in cultural, political and economic terms, as indicated by the following list: Japan, China, Indonesia, The Philippines, Australia, New Zealand, Malaysia, Singapore, North and South Vietnam, North and South Korea, Cambodia, Laos, Thailand, Burma, Hong Kong, Taiwan and the countries and territories of the South Pacific.

3. Clearly, Canada cannot attempt to adopt uniform general policies toward this heterogeneous group. The Committee has found, however, that an overall attitude and approach of increased Canadian interest and involvement in the whole Pacific region is not only possible but essential. The fact that Canada is a Pacific nation has long been viewed simply as a kind of geographical accident, with the world's largest ocean serving more as a barrier than a bond. With the revolutionary growth of communications, transport and global inter-dependence, however, it can now become vital reality. As the Policy Paper says, "In Canada's Pacific outlook, distance and remoteness are no longer synonymous." Yet it is important to recognize that most of the great movements of history which are taking place in the Pacific region are doing so with little significant involvement by Canada. It is probably only in the economic field, that Canada can be properly called "a Pacific power".

4. Any realistic survey of the present Canadian involvement in the Pacific must therefore give first attention to the economic sphere. This has been the field of most exciting and spectacular growth—with a doubling of Canada's Pacific trade between 1965 and 1970 and until 1971 a large surplus balance in Canada's favour. The direct economic benefits to Canadians are immense, and are reinforced by the healthy diversification of Canada's overall economic relationships.

5. The very rapid expansion of profitable economic relations in the Pacific region, however, has sometimes obscured a number of other vital concerns for Canada. It is probable that Canada cannot long sustain relations with its Pacific neighbors solely on the basis of trade, particularly trade which is in its own favour. Commercial considerations alone require a concern for reciprocal advantage, and