

undertake this role which could have major implications for East-West understanding.

At the same time, Canadians should never overlook the established fact of our healthy bilateral relationships with the People's Republic. Canadian rapport with that country has built historic friendships, brought about by the patient effort of successive Canadian governments and many dedicated individuals. In the trade field, Canada's hard-won place in the Chinese market is a standing tribute to a number of men—and I would single out Senator McNamara and his Wheat Board colleagues in particular.

Hon. Senators: Hear, hear.

Hon. Mr. Aird: Honourable senators, as China's relationships with other western countries expand, we will presumably have to meet increasing competition in a number of fields. I do believe that Chinese memories are long and that the pioneering efforts of these Canadians will stand us in good stead as China's economy grows and prospers.

In addition to the current excitement about China, it must be stressed that there are other areas of comparable interest and concern to our committee. Japan, of course, has been a major focus of our deliberations. That country is rapidly becoming an economic super-power and is already Canada's third largest market. We have learned that Japan is undergoing a number of fundamental social changes but it is obvious that it will continue to be a predominant factor in Pacific affairs generally.

Like the rest of the world, our committee has been trying to analyze Japan's "economic miracle". I think we have all been most impressed and have learned a great deal from the workings of "Japan Incorporated". One of our witnesses claimed that the source of this dynamic record finds its origin in what he labelled the "Avis complex". I can assure you that our committee will also be much concerned with recommending ways in which Canada—our country—can "try harder".

At the other end of the western Pacific Rim the committee is vitally concerned with Australasia. Australia, as few people realize, is already Canada's largest overseas market for fully manufactured products. It shares many of our concerns in international economic relations. With New Zealand it is sure to occupy a place of growing importance in our overall foreign relations.

Between these geographical extremes there remains a wide range of countries at different levels of development with diverse types of relationships with Canada. It is here that the committee will be directing its attention in the near future, with a special view to assessing Canada's potential contribution to development co-operation.

We have already had a detailed introduction to Indonesia, another substantial and growing Pacific power. This and other developing countries of the area will be studied further in planned meetings with representatives of CUSO and CIDA in the next few weeks. Once again, I am sure, the committee will adopt a comprehensive approach to development questions—as it endeavoured to do in the Caribbean study.

[Hon. Mr. Aird.]

In conclusion, I am pleased to report that the Pacific inquiry appears to be progressing in a reasonably satisfactory manner. As I said earlier, a focus has now been established and we should soon be able to turn our attention to formulating conclusions and recommendations. I am hopeful that these findings, based on the accumulating evidence, will form a constructive critique and useful supplement to the government policy paper referred to us by the Senate.

Hon. John J. Connolly: Honourable senators, my remarks will be brief. I wish merely to suggest that the time to make a comprehensive comment on the work of the Standing Senate Committee on Foreign Affairs is not now. It will come when the report appears. That will be when the committee finishes its deliberations on the problems generally described as the problems of the Pacific Rim.

I think it would be appropriate at this time to emphasize, for the benefit not only of this chamber but of the public at large, the importance of the contribution being made by Senator Aird and his committee to this vital aspect of our national life.

In past years the Standing Senate Committee on Foreign Affairs could have been used effectively to achieve important benefits for Parliament and for Canada. It has always had that potential. But because of Senator Aird's dynamism and energy that committee now has a new look and a new vitality. I think it bodes well for the future as to the kind of work the Senate can do, particularly in this field. There are many people in this house who are interested in foreign affairs. We have senators who belong to and regularly attend meetings of the Canada-United States Parliamentary Organization, the Commonwealth Parliamentary Organization, the NATO Parliamentarians, and the IPU and the UN. There is a great deal of capacity and know-how in the Senate and, indeed, a great deal of sophistication which can be brought to bear upon Canada's international relations. I think the vehicle through which this can be done most effectively is being exploited successfully by Senator Aird. We owe him much for having taken the initiative and having done so much in this regard.

Hon. Senators: Hear, hear.

Hon. Mr. Connolly (Ottawa West): I do not forget the work of the Deputy Chairman, Senator Grosart, who has been most interested in this and has supplemented the work of Senator Aird. Nor do I forget the very able staff available to the committee.

We are fortunate indeed in having the calibre of witnesses before us in our study of the Pacific Rim that Senator Aird has made available to us. Those who have attended the meetings of the committee feel gratified, I am sure, that the witnesses heard in committee were experts on the subjects which they undertook to discuss for our benefit.

This is a good committee. It is well run and is not attempting to be pretentious. It may not have some of the public appeal that other committees have, but it is doing