

years. They now account for close to 35 per cent of total exports, up from only 4 per cent of our exports in 1988.

- Strengthening the partnership is the fact that many of China's import and infrastructure requirements parallel Canada's top export strengths, particularly in areas such as telecommunications, oil and gas, power generation, the environment, transportation, mining and petrochemicals, and agriculture.
- Canada is supporting continued economic reform in China. An efficient modern economy needs a specialized infrastructure, underpinned by transparent legislation and regulation. Canadian development assistance is helping China put in place the "software" of a modern economy.
- Canada is also supporting China's accession to the World Trade Organization, which will provide better access for Canadian goods and services.
- Canada and China co-operate on regional economic issues through the 18-member Asia-Pacific Economic Co-operation forum (APEC). Canada and China share a common interest in pushing for economic reform and trade liberalization among APEC members.

Sustainable Development

- Canada is committed to helping China develop policies and institutions that enhance sustainable development by recognizing the relationship among economic growth, social development and environmental protection.
- The environment is an important issue in China. Its immense population has placed considerable pressure on China's natural resources. Water shortages are becoming increasingly frequent and serious. Underground waterbeds are gradually deteriorating. Pollution of lakes and rivers is widespread. Erosion, salinization and urbanization are devastating agricultural land. China is also the world's largest consumer of coal, and coal-fed electrical generators are currently the engines of its growing economy.
- Recognizing that developments in China have global implications and that China can make a positive contribution toward resolving global environmental problems, Canada is working with China on a range of environmental management issues.
- Through our bilateral Memorandum of Understanding on the Environment and through the Canadian International Development Agency's assistance programs, Canada is providing environmental