

The White Paper on defence, recognizing the extent of Canadian economic interests in Asia, suggested that the strategic significance of the northeast Pacific underlines the need for a more effective Canadian naval force on the west coast.

### **Immigration**

The Asia and Pacific region was the principal source of immigrants to Canada in 1987/88, providing the largest inflow of business immigrants as well as of those coming to join their immediate family. Working closely with provincial governments, Canadian missions in the region attracted more than 1 500 entrepreneurs and investors who planned to transfer some \$1.5 billion to Canada for new or established business and investment opportunities. Building on earlier recommendations to facilitate and expedite family migration resulted in an improvement in the numbers of family-class immigrants admitted and in the reduction in time taken to process their applications.

Refugees and displaced persons in the region continued to be a focus of attention. With the assistance of the UN High Commission for Refugees, Canadian missions were able to direct their attention to those in most need from a variety of ethnic groups including Vietnamese, Cambodians, Laotians, Iranians and Afghans. At the same time Canada provided financial support to voluntary repatriation programs where this alternative solution to resettlement appeared most appropriate.

Visitor programs designed to encourage tourism, study in Canada and temporary employment continued to be popular across the region. Tourism from the Asia and Pacific region was enhanced by the establishment of more direct air links with Canada. Attracting foreign students remained a major activity requiring co-operation between respective provincial offices and schools across Canada, while the foreign domestic servant movement increased considerably in response to the needs of working families in Canada.

### **Public affairs**

Under the sponsorship of the Department the Royal Winnipeg Ballet completed a two-month tour of Asia with performances in Japan, China, Hong Kong, Singapore, Malaysia and Thailand. In March 1988 a six-day celebration of Canada was held in Seoul, Korea. Among the many activities were seminars on trade, investment, tourism and education in Canada, an academic forum bringing together Canadian and Korean academicians, an exhibition featuring Canadian technology, and a Canadian food festival sponsored by a local hotel. Prominent Canadian athletes Ben Johnson and Carolyn Waldo were in attendance, and performances were given by guitarist Liona Boyd and pianist Lucille Chung. A live satellite TV broadcast was transmitted between Seoul and Calgary to signal a tower twinning by the two cities. Canada Week in Korea was a co-operative effort among various federal departments, provincial governments, universities and the private sector.

The Department sponsored visits to Canada of senior Asian journalists and assisted prominent Canadians to undertake speaking tours abroad. Festivals of Canadian films, expressions of Canadian cultural achievement in performing, graphic and literary arts, and academic

seminars and exchanges were among the continuing activities throughout the region. Working with Asia and Pacific media, a program of advertisements for Canadian goods and services was implemented, and newspaper supplements highlighting Canada were published.

### **China**

The past year was marked by consolidation and strategic reassessment of Canada's relationship with China, which has undergone rapid growth in recent years and diversified into new areas of co-operative endeavour.

In April 1987 the government adopted a strategy intended to ensure a focused, co-ordinated and dynamic approach to Canada's relations with the People's Republic of China (P.R.C.) and designed to take advantage of the opportunities and challenges flowing from China's "Open Door" and modernization policies. The plan of action put forward in the Canadian strategy built upon the major achievements in Canada's relationship with the PRC, especially the measures taken by the government in the previous two years. These included the establishment of annual high-level political consultations, targeting China as a priority market in the National Trade Strategy, the opening of a consulate general in Shanghai and the initiatives announced by the Prime Minister when he visited Beijing in May 1986: the doubling of CIDA's bilateral development program in China to \$200 million for the 1987-92 period and the establishment of a concessional financing facility for China through the Export Development Corporation.

The strategy targeted ministerial visits to China towards priority government objectives, laid the foundation for sectoral action plans designed to match Canadian capabilities with Chinese economic priorities, and built upon the expanding bilateral assistance program to promote shared development and economic interests in China. The strategy furthermore set a basis for the negotiations leading to Chinese entry into the GATT in a way that meets Canadian trade policy objectives.

While the strategic reassessment was being developed and implemented, relations continued to expand. The Vice Chairman of the Central Military Commission, Yang Shangkun, paid an official visit to Canada in June 1987 (Mr. Yang was subsequently elected President of the P.R.C. in April 1988) and the Minister of Agriculture led an official delegation to China in November for the Canada-China Joint Committee Meeting on Agriculture. Air relations were improved with the initialling of a route schedule annex to the bilateral air agreement with China in April and the subsequent inauguration of air service by Canadian Airlines International to Beijing and the national Chinese airline to Toronto via Vancouver.

China remains Canada's second largest export market in Asia, and 1987 sales displayed renewed vitality and promise for the future. Exports totalled over \$1.43 billion, an increase of more than \$330 million over 1986 led by substantially larger Chinese purchases in many product sectors, particularly wheat, wood pulp and synthetic rubber and plastics. Industrial machinery, telecommunications equipment and other specialized machinery products continued recent promising growth although manufactured end products as a group declined as a percentage of total sales. China's exports