

tinued in such institutions as the annual Foreign Policy Consultations, the Canada-Japan Business Co-operation Committee, the Joint Economic Committee and the biannual science and technology consultations. During the year, a large investment mission from Japan visited Canada to investigate matters related to FIRA, the National Energy Program and labour and concluded that Canada represents a favourable environment for long-term Japanese investment.

Canadian exports to Japan were up marginally over the previous year at \$4.6 billion. However, Canada's surplus increased significantly from \$460 million to \$1 billion, principally as a result of a decrease in Canadian imports of Japanese automobiles and trucks. The negotiations for both 1982 and 1983 limits on Japanese auto exports to Canada were a major activity of International Trade Ministers Lumley and Regan. In August 1982 a quota agreement was announced by Mr. Lumley after months of negotiations, and in February 1983, Mr. Regan announced that an interim agreement for the first six months of 1983 had been reached.

China

Canada's bilateral relationship with China continued to expand, focused on China's drive to modernize, drawing on foreign technology and credits. Featured during the year were many technical, cultural and commercial visits. The Canadian Ministers of Defence, Sports, and National Health and Welfare also visited China. Health Minister Bégin's visit led to identification of areas of co-operation in the medical field and the signing of an agreement to support a twinning arrangement between the University of Toronto and the Sichuan Medical College. In the four years since a student agreement was signed, Canadian institutions have received over 1300 scholars and students from China. Cultural exchanges during the year included a visit by opera star Maureen Forrester to China and a tour by the Wuhan Circus in Canada.

Next to Japan, China remained our largest Pacific Rim market at \$1.2 billion in sales. The main exports were wheat, metals and minerals, wood pulp and synthetic rubber. Textiles make up the largest sector of imports from China. Other imports include agricultural products, handicrafts and household furnishings.

In May, the eighth meeting of the Canada-China Joint Trade Committee was held in Ottawa. China's modernizing program presents promising opportunities for Canadian equipment suppliers in resource-related areas such as forestry, mining and agriculture as well as in high technology.

About 2,500 Chinese immigrants came to Canada in 1982, making an overall total of some 26,000 since the Family Reunification Agreement was signed in 1973.

Republic of Korea and Hong Kong

Our exports to both Republic of Korea and Hong Kong rose in 1982. Although both of them maintained a favourable balance of trade with Canada, the market opportunities in these countries are increasing. Canada's Export Development Plan for Korea, published in 1982, identified the most promising sectors for Canadian goods and services as nuclear power, energy products, telecommunications, grains, aircraft and pulp. During the first-ever visit of a South Korean president to Canada in August 1982, President Chun Do Hwan was accompanied by business representatives, Cabinet ministers and officials who met with their Canadian counterparts.

South and Southeast Asia

The strategic position of these countries has brought the attention and involvement of the superpowers and the region remains the scene of interest and power rivalry for China, the Soviet Union, the United States and Japan. Canadian ministers continued to express support for the ASEAN initiative which calls for a peaceful settlement in Cambodia involving a Vietnamese withdrawal and the freedom of the Khmer people to choose their own government.

Canada's largest development assistance programs are in the regions of Asia and the Pacific. The massive exodus of Indochinese refugees, over 70,000 of whom have come to Canada since 1975, elicited a strong response from Canadians and sharpened our perception of Southeast Asia. Canada donated over \$2 million to relief operations for Cambodian refugees during 1982.

Canada also maintained its support of international efforts to secure a withdrawal of Soviet forces from Afghanistan so that the Afghan people may choose their government without outside interference. The establishment of a South Asia Regional Cooperation Forum as a vehicle for self-help among Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka is proceeding. Canada takes a favourable view of this progress as an important step towards improved co-operation among countries of the region. The emphasis is on technical co-operation and an exchange of experts and data in fields such as communications and meteorology.

With departmental support and participation, Canadian businessmen formed a Canada-India Business Council, mounted a Canada-India Business Opportunities Conference in Toronto (November 1982) and organized a trade mission to India (February 1983).

Canada-Pakistan relations were enhanced by the visit of President Zia to Ottawa in December 1982. There were useful discussions on bilateral trade relations and the problem of the Afghan refugees in Pakistan. Canada established diplomatic relations with the Maldives.

ASEAN

Canada has made a strong commitment to enhance economic and commercial ties with the five member countries of ASEAN: Indonesia, Malaysia, the Philippines, Singapore and Thailand. The Economic Co-operation Agreement with ASEAN signed in 1981 came into force on June 1, 1982. Its purpose is to expand the framework for consultation. The growing profile of the region was demonstrated at the second Pacific Rim Opportunities Conference held in Toronto in February 1982.

A number of Canadian companies have large investments in ASEAN countries and Canadian banks have offices there. Trade with these countries reached \$1.1 billion in 1982 and Canadian exports increased by 27 per cent over 1981, with a trade surplus increase of 66 per cent due largely to high value-added end products such as machinery, aircraft and locomotives.

Development co-operation is an important element in Canada's relations with ASEAN. The third session of the Canada-ASEAN Dialogues took place in Manila in May, 1982. The Dialogues have moved beyond the traditional donor-recipient aid relationship and have focused increasingly on the commitment of Canada and ASEAN to go beyond the con-