

China represents a total potential market of \$40 billion per year. Those imports are heavily concentrated in capital goods and resource products for which Canada, and B.C. in particular, is world renowned. You will hear today about the successes in China of two firms, Seaboard Lumber and Cansulex. I have already mentioned B.C. Hydro which, by working with other Canadian firms and the Government, has assured its place in China. The Council of Forest Industries, in a very innovative project, is building a "model farmhouse" with a Chinese partner. This will be on display near Shanghai to wet the appetite of the recently prosperous Chinese farmers.

B.C. firms, with our support, are at this moment pursuing power projects on the Yangtze river, the agriculture and forestry sectors in Shanghai and southern China, port developments on the Pacific coast, railway and mass transit projects in Beijing and northern China, mining developments in the north. There is still more to do.

The best demonstration of China's need for British Columbia expertise, technology and products occurred recently. Despite their limited resources, China has invested \$95 million in a B.C. pulp and paper plant. Since China recognizes the benefits of working with British Columbia firms, surely it would be polite - a characteristic for which you are all justly famous - to respond.

How do you do it? Well, as I mentioned earlier, China is a difficult but not impossible market. The keys, as I have been told by experts, are preparation, approach, perseverance and patience:

- Do your homework in advance. Contact the Canada/China Trade Council and my Department. Don't waste time and money on poorly defined "exploratory missions".
- Try to understand in advance the interrelationship of Chinese organizations of interest to you. Find out where the decision making authority is.
- Use all the contacts you can. City and provincial "twinning" links have proven very helpful.
- Be willing, eager, to include existing Chinese capabilities and components in your bid. China is a huge country with extensive technical skills and they should be used.