

## Chinese Vice Premier visits Canada

Bo Yibo, Vice Premier of the People's Republic of China, paid an official visit to Canada from August 21-31. Mr. Bo is the most senior Chinese government official to visit Canada.

Mr. Bo, who is also Chairman of the Machine Building Industry Commission and one of China's leading economic ministers, met with Minister of Industry, Trade and Commerce Herb Gray, who served as his host for the visit, and Minister of State for International Trade Ed Lumley.

During his visit, Mr. Bo toured Canadair and CAE Electronics in Montreal; the aeronautical operations at Uplands and the Royal Canadian Mint in Ottawa; a nuclear plant at Pickering, near Toronto; a potash mine in Saskatchewan; and MacMillan Bloedel in Vancouver.

### Immigration agreement

While in Ottawa, the Vice Premier took the opportunity to sign two understandings concerning immigration and consular affairs. The exchanges of notes were signed on behalf of Canada by Mr. Gray.

The immigration understanding allows two Canadian immigration officials to travel in China to interview people who want to join relatives in Canada. It supplements accords reached between the two governments in 1973 on the family reunification program. Under the pro-

gram, some 5,600 Chinese entered Canada between its inception and the end of 1979.

The second understanding authorizes each country to establish two consulates general in the other. China has one consulate in Vancouver and will open a second in Toronto. Canada may open consulates in Shanghai and Canton.

Discussions were held on the \$2-billion line of credit extended last year by the Export Development Corporation for Canadian goods and services. Mr. Gray said the line of credit would probably be used to buy Canadian forestry, communications, hydro-electric and mining equipment.

Canada exported \$591.9-million worth of goods, primarily wheat, to China last year and imported \$167.4-million worth, mostly nuts and textiles.

At a luncheon for the Chinese Vice Premier, Canadian Agriculture Minister

Eugene Whelan announced that he was leaving for a tour of China, the Philippines and Indonesia. The tour began in Peking August 30 and will end in Jakarta September 21.

Mr. Whelan said the Chinese invitation was in return for several Chinese delegations Canada has hosted in the past eight years. While in Peking the Canadian delegation held talks with Chinese agricultural officials to review and search for ways to expand Canadian-Chinese agricultural co-operation. Mr. Whelan said that he hoped discussions with the Chinese officials would "lead to the signing of a memorandum or understanding on co-operation in agriculture" between the two countries.

The Canadian delegation also visited the Chinese cities of Harbin, Changchun, Shanghai, Hangzhou and Guangzhou where they toured agricultural research facilities, state farms, agricultural communes and manufacturing plants.

## Oil exploration expenditures rise

The Department of Energy, Mines and Resources has released its 1979 report on the revenues, profits and investments of the petroleum industry in Canada.

The report shows one-year gains across the industry of about 44 per cent in cash flow, 54 per cent in after-tax profits, and 23 per cent in total capital expenditures. Oil and gas exploration expenditures rose nearly 40 per cent.

By the end of 1979 non-residents owned 72 per cent and controlled 82 per cent of Canadian petroleum industry revenues. This reflects a continuation of the gradual decline in foreign ownership and control which stood at 80 and 94 per cent, respectively, in 1971.

Energy Minister Marc Lalonde noted that much of the recent decline in foreign ownership has resulted from the activities since the mid-1970s of public-sector firms such as Petro-Canada and the Canada Development Corporation, as well as those of several provincial corporations including the Alberta Energy Company and the Saskatchewan Oil and Gas Corporation. More recently a few Canadian-owned private companies have also embarked on a series of corporate acquisitions, mostly involving assets that had been foreign-controlled.

The report on the industry's 1979 financial performance, investment patterns, and ownership and control was the last in

a series of three produced by the Department of Energy, Mines and Resources under the Petroleum Corporations Monitoring Act, enacted in June 1978.

### New monitoring agency

Future reports of this kind will now be the responsibility of the new Petroleum Monitoring Agency established August 1.

The first of the PMA's reports, covering industry performance in the first half of 1980, will be issued within the next few months.

The new watchdog agency will be empowered to examine and assess the industry's performance on a number of fronts including costs, profits, exploration, production, use of resources, and the extent of Canadian ownership and control of those resources.

The Minister noted that through the detailed information collected and analyzed by the PMA the public will be better informed, and the government will be better able to plan and develop policies for the management of Canadian energy supplies and resources.

Pending amendments to the Petroleum Corporations Monitoring Act, the new agency has been equipped with all the powers of a commission under the Inquiries Act. The agency will report to the Minister, and will have the authority to publish reports to ensure that all Canadians are informed about various aspects of industry performance.



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Industry Minister Herb Gray (centre) with Chinese Vice-Premier Bo Yibo (left) and China's Ambassador to Canada Wang Tung (right) in Ottawa.