

OUR FOCUS IS SHIFTING

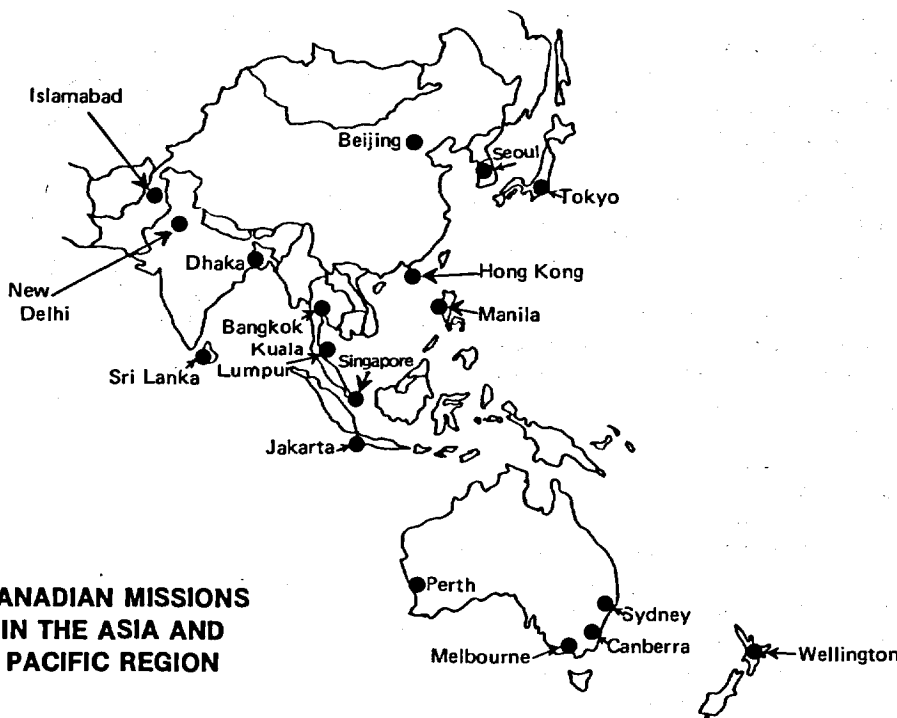
Through a variety of activities the Foundation aims to "raise Canada's profile, illuminate policy choices, assist business and educate and train youth so they will have the knowledge and skills to support Canada's future role in the Asia Pacific region".

Trade Potential

In terms of trade, the present is positive and the future looks bright. Japan's economy is thriving and Canada is actively participating in it. (Our sales to Japan were 3-4 times higher than our sales to the U.K. in 1984 and about 4/5 of this originated in Western Canada.) Whereas Japan's exports originally were in heavy industry and electronics, the country is now shifting towards knowledge-intensive industries — computers, robotics, aerospace, biotechnology. These are the future, thus it is on our interest to be involved in it — to make Japanese firms important partners in the high technology industry.

China, economically and politically, is going through exciting changes. It is turning increasingly to capitalistic methods and has greatly expanded its trade and demand for foreign capital. Whereas traditionally we exported food and primary resources, we are now concentrating on high technology items and large construction programs (hydro, oil and gas) and the government is encouraging joint ventures between local and foreign countries.

South Korea's economy is one of the major world success stories in the past 10-15 years. Our trade promotion efforts, besides focusing on grain and oilseed, are now also moving into high technology market sectors especially electronics.



**CANADIAN MISSIONS
IN THE ASIA AND
PACIFIC REGION**

All around us influences from Asia and the Pacific are evident —

Chinese cooking, Japanese cars, oriental art, Indian cottons, oriental silks ... but also, our children's classmates, our neighbours, our co-workers. Such was not always the case. Up until about ten years ago Canada's interests centered around the United States and Europe. That is not to say that we totally ignored the Pacific — our first major diplomatic mission outside of Paris, London and Washington was in Tokyo, which was opened in 1929 (our first trade mission in Sydney was opened in 1895). It has only been in the past decade, however, that our focus has started to move from the Atlantic to the Pacific. In 1975 our trans-Pacific immigration exceeded our trans-Atlantic for the first time (Asia is now the largest source of new Canadians) and two years ago our trans-Pacific trade surpassed our trans-Atlantic (Western Europe) for the first time (Japan is our second largest trading partner).

Japan is emerging as a superpower. China is being modernized. Australia is out of its recession. Hong Kong has stabilized to a certain extent. The ASEAN countries are working well together, and South Korea and Singapore are thriving. The future looks promising.

Political Interests

Politically, however, there are still areas of conflict — Vietnam, Cambodia, Laos, Afghanistan, India, Sri Lanka — and Canada is attuned to them.

Since the early 1950s we have been preoccupied with maintaining peace and stability in this area. Canadian troops participated in United Nations activities in Korea, plus we have been involved in peace keeping exercises in Vietnam. We supported international efforts to secure withdrawal of Soviet forces from Afghanistan and have called for recognition for the Afghan people's rights to self determination without outside interference. We are concerned with the Vietnamese occupation of Cambodia and endorse ASEANs demand for their withdrawal. The Soviet naval build-up in the Pacific, their use of facilities in Cam Ranh Bay and their increased nuclear force are all subjects of continuing concern to us and thus are being carefully monitored.

Our concern goes beyond dialogue, though. Our aid program began with the Colombo Plan in Asia and the region now receives the largest share of Canadian bilateral funding. India, China, Pakistan, Bangladesh, and Sri Lanka all have large CIDA projects and the Chamera project in India is our largest.

A Foundation has also been established to promote a greater appreciation of each other by Canadians and the peoples of the Pacific. In June 1984 the Asia Pacific Foundation was created by an act of parliament to "heighten Canadian awareness that we are a Pacific nation as well as an Atlantic one".