

increased contributions to the UNHCR, the International Committee of the Red Cross and the Pakistan Government for Afghan Refugees. Contributions in 1981 in cash and food aid were about \$13 million.

Bilateral relations with Pakistan assumed greater importance during the year, in part because of the Afghanistan situation. Canada maintained a high level of development assistance to Pakistan which in 1981 was some \$45 million. In December, a successful round of bilateral Canada-Pakistan political consultations at the senior officials level took place in Islamabad.

A major event in trade was the founding in October of a Canada-Pakistan Trade and Economic Council which was inaugurated in Montreal by the Pakistan Minister of Finance. Canada continued to enjoy a substantial trade surplus with Pakistan, with exports reaching \$80 million.

The importance of India as a major regional power and a growing economic force continued to be recognized by Canada during 1981. A number of important visits and events demonstrated the deepening of Indo-Canadian relations during 1981. The Minister of State for Trade, led a trade mission to India in February and later in the year the Minister of Immigration, visited India to review aspects of the immigration program. Canadian exports to India during the year maintained their level of approximately \$350 million, and efforts were initiated to conclude major new joint ventures between Canadian and Indian firms. India continued to be a recipient of Canadian development assistance with disbursements reaching close to \$50 million in 1981-82. A further example of growing Canada-India ties was the official visit by Indian Vice President Hidayatullah to Ottawa, Montreal and Toronto in October. Prime Ministers Trudeau and Gandhi met at the United Nations Energy Conference in Nairobi, at the Cancun North-South Summit and at the Commonwealth heads of government meeting. A third round of bilateral consultations at the senior officials level on political and economic topics took place in New Delhi in November.

In Bangladesh, the assassination of President Zia Rahman in May deprived that country of a dynamic and energetic leader, who was succeeded by President Sattar. At approximately \$80 million in food and project aid, Canadian aid to Bangladesh continued to be our largest single bilateral program. In contrast to the encouraging rate of agricultural and economic expansion in the previous year, Bangladesh experienced a drop in food production and economic output owing to drought in 1981.

Good relations were maintained during 1981 with Sri Lanka, where rapid progress was achieved on the Maduru Oya reservoir and irrigation project, which is the largest single Canadian aid project.

Canada also maintained major assistance to the Kingdom of Nepal, where the process of constitutional evolution involved the election of a national parliament.