

Proceedings on Adjournment Motion

just as willingly jeopardize international trade with such countries.

I point out that this can happen, Mr. Speaker. The *Globe and Mail* reports on Monday, June 14,—which was immediately after this flag insult incident—that the Australian Wheat Board had signed a \$10 million trade agreement with Taiwan to sell 250,000 tons of wheat to that country over the next 18 months. Mr. Speaker, Canada should have had that business. But no, the Prime Minister would rather insult Taiwan while Australia sells them wheat.

● (10:10 p.m.)

At the same time, the victors in this affair, Communist China, on the same page in the *Globe and Mail* are reported in their propaganda and in their immense numbers, 800 million strong, as saying, "Follow Chairman Mao, forever make revolution, hold high the revolutionary red flag. Brave heroes, kill the enemies."

One final point I wish to make, Mr. Speaker, is that this action of the Trudeau government is not conducive to badly needed employment in this country nor to badly needed Canadian world trade. Trade with Taiwan has been quite healthy and we have benefited thereby. The latest figures that I have are for 1970. In that year this injured country bought \$18½ million worth of commodities from Canada, and Canada bought \$51.9 million worth of commodities from them. In addition to this Taiwan, or Nationalist China, bought an atomic reactor from Canada in 1969 to be installed by Canadians, this costing about \$35 million. Also, Taiwan has agreed to buy the heavy water from Canada which will be necessary in the operation of this reactor.

I think, Mr. Speaker, that I have made my point that neither this country, its government nor its Prime Minister is big enough in world circles to insult with impunity any of our good neighbours and in this case the Prime

Minister and our Department of External Affairs owe Taiwan an apology.

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): Mr. Speaker, representations have been made to the Canadian government by the Chinese embassy in Ottawa concerning the flying of the so-called Nationalist flag at the B.C. International Trade Fair. These representations, however, were not necessary since the federal government had previously informed the authorities in British Columbia that the flying of the flag in question at a provincial fair was inconsistent with Canada's "one China" policy and with our recognition of the People's Republic of China as "the sole legal government of China."

As the House is aware, last October Canada recognized the government of the People's Republic of China as the sole government of China and consequently withdrew recognition from any other government claiming to be the government of China. This information was conveyed at that time to all provincial authorities. However, the government of China which Canada had previously recognized had already accepted an invitation to take part in the B.C. International Trade Fair and the authorities in British Columbia saw difficulty in withdrawing the invitation completely at that stage. They did, however, make certain modifications which would lessen any erroneous impression regarding the status of the Taiwan régime. Because Canada is endeavouring to develop a relationship with China that would be beneficial to Canada as a whole including British Columbia, we regarded it as most desirable that any confusion which might have existed at this fair be removed. This is not a question of showing friendship or courtesy but of simply being aware of what government is recognized by Canada as the government of China.

Motion agreed to and the House adjourned at 10:15 p.m.