

China and the Soviet Union have already held three rounds of consultations. However, the Soviet side has thus far evaded discussing these three questions which threaten China's security. Although Sino-Soviet relations have somewhat improved in recent years, greater efforts by the two sides are called for if Sino-Soviet relations are to be really normalized.

I also want to say a few words about Sino-British relations. Negotiations are going on between the two sides to resolve the Hong Kong question which is left over from history. Hong Kong was occupied by Britain after the opium war. China has decided to resume exercise of its sovereignty over Hong Kong in 1997. We have adopted the following policies which we believe are reasonable: Hong Kong will become a special administrative region of China to be administered by the Hong Kong people themselves; the current social and economic systems and lifestyle will remain unchanged; Hong Kong will maintain its financial independence and its status as a free port and international financial centre; Hong Kong will maintain and develop its economic and cultural relations with foreign countries; the interests of the residents and foreign investors in Hong Kong will be fully protected. Hong Kong's prosperity and stability will not be affected.

All these will be guaranteed by a basic law of Hong Kong to be enacted by the National People's Congress, the supreme organ of power in China, which will take into full account the opinions of people of all walks of life in Hong Kong. I believe the question of Hong Kong can be resolved through negotiations between China and Britain.

China is a developing socialist country. We share similar historical experiences and face the same task of economic development. We firmly support the other Third World countries in their just cause of safeguarding national independence and developing their national economies. We are in favour of increased South-South co-operation, improving North-South relations and establishing the new international economic order through global negotiations. The Chinese Government appreciates the efforts made by the Canadian Government for pushing North-South dialogue forward and improving North-South relations. China will persist in its policy of opening to the outside world, strengthen economic co-operation of equality and mutual benefit with both developing and developed countries, and do its part in promoting world economic prosperity. We hope Sino-Canadian economic co-operation may set an example of co-operation between developing and developed countries.

We believe that only when the principles of peaceful co-existence are universally respected can our planet enjoy genuine and lasting peace. Unfortunately, not every country is willing to observe these principles. Hegemonist acts of strong countries humiliating the weak, rich countries oppressing the poor and big countries bullying the small, keep occurring from time to time. Therefore, we firmly oppose hegemonism. We are against hegemonist actions no matter where and by whom they are committed. China will never seek hegemony. We have declared many times that if China ever pursues hegemonism,

other countries should also take it to task. Without opposing hegemonism, international justice cannot possibly be upheld, nor world peace be maintained.

The present international situation is indeed disturbing. There are so-called "hot-spots" in many areas in the world. The nuclear arms race between the two superpowers is becoming white-hot. The struggle over the deployment of intermediate missiles has aggravated the situation in Europe where two military blocs confront each other. Under these circumstances, the people of various countries strongly demand the stopping of the nuclear arms race and realizing disarmament. This is entirely justified. We appreciate the efforts made by Prime Minister Trudeau to safeguard world peace, relax international tension and promote nuclear disarmament. We support his appeal for the participation of more political leaders in the world in the cause of safeguarding world peace. We would like to continue consultations with Canadian leaders on these issues. We hope that all peace-loving countries and people will go into action and urge the two nuclear powers which possess over 90 per cent of the world's nuclear weapons to stop their nuclear arms race, resume disarmament talks, hold discussion in earnest and take the lead in agreeing on measures of drastically reducing nuclear arms so as to create the condition for joint nuclear disarmament by all the nuclear countries.

The Honourable Members of Parliament, China takes the maintenance of world peace as a major objective in its foreign policy, not only because we need a peaceful international environment in which to modernize our country, but also because we are fully aware that the people of the world cannot afford to undergo the scourge of another world war. World peace and stability are the common desire of the people of all countries. So long as the people all over the world get united in defending peace, a new world war can be prevented.

I wish to take this opportunity to point out that a strong and prosperous China not only is in the interest of the Chinese people, but also contributes to world peace and stability. Now, more and more countries and regions hope to develop trade and economic co-operation with China and are highly interested in China's economic co-operation with China and are highly interested in China's economic policy. China's policy of opening to the outside world is not an expedient measure but a long-term national policy. While adhering to self-reliance, we also pay attention to importing advanced foreign technology and equipment and making use of foreign funds. In the next ten years we will give priority to energy, transportation, communication, and import key equipment and technology for upgrading about 400,000 enterprises. In all these areas, Canada has its strong points and experience. On our part, we also have many products which Canada needs. I am convinced, as time goes on, our areas of co-operation will become still more broader. Let us make further efforts to this end.

The Honourable Members of Parliament, the Chairman of the Standing Committee of China's National People's Congress, Peng Zhen, has invited the Canadian Parliament to send