

late 1960s but was not matched at the diplomatic level nor at the level of people-to-people contact through such channels as immigration, tourism, or cultural and academic exchange.

The status of Taiwan was a central problem in Canada's negotiations with the PRC preceding the establishment of formal diplomatic relations in October 1970. The second and third paragraphs of the formal communique of October 13 read as follows:

- The Chinese Government reaffirms that Taiwan is an inalienable part of the territory of the People's Republic of China. The Canadian Government takes note of this position of the Chinese Government.
- The Canadian Government recognizes the Government of the People's Republic of China as the sole legal government of China.

As applied by the Trudeau government, the one-China principle was scrupulously and vigorously observed. Canada actively promoted PRC representation in international organizations such as the United Nations and the removal of the representatives of the Republic of China. Unlike the United States, which recognized the PRC in 1979 but subsequently passed the "Taiwan Relations Act" to ensure ongoing relations and a security commitment, the Canadian government cut virtually all contact with Taiwan in 1970. Nor did it promote or encourage private channels of communication.

Canadian policy stated that there was to be no official or government to government contact; government programs and services were not to be extended to Taiwan; Taiwanese were not permitted to enter Canada for official or political purposes; and federal ministers and officials were forbidden to travel to Taiwan. Through the 1970s and into the early 1980s, relations were in the deep freeze. Both sides, but especially the Taiwanese, accumulated a list of grievances, prime among them the issuance of visas.

This situation began to change in 1983. Business was the key link. The first Taiwan trade mission visited Canada in November 1983. In January 1984 the Canadian Society of Taiwan was created with a membership of about two hundred Canadians working and living in Taiwan. Five months later the Pacific Basin Economic Council held its meetings in Vancouver and a Taiwanese delegation was permitted to attend. In November of 1984 a flag-bearing ship of the China Steel Corporation docked in Vancouver. Two years later, Taiwan was admitted to the Pacific Economic Cooperation Conference and was represented at the meetings also held in Vancouver. The most important development occurred in late 1986 when the Canadian Chamber of Commerce, using funds supplied by the Government of Canada, opened the Canadian Trade Office in Taipei. Shortly thereafter, the Canada-Taiwan Business Association (CTBA) was formed.

Taiwan has developed into a major economic force. It is now the world's thirteenth largest trading state; its annual growth rate averaged more than 8% in the 1980s; per