

Indochina

On January 31, Mr. C. J. Small, Canadian Ambassador to the People's Republic of China, presented his letter of credence in Hanoi as the first Canadian ambassador to the Democratic Republic of Viet-Nam (North Viet-Nam).

As the fall of the government of the Republic of Viet-Nam (South Viet-Nam) appeared imminent under attacks by the armed forces of the Democratic Republic of Viet-Nam, the Canadian Government withdrew its diplomatic staff from Saigon on April 24. The decision to withdraw was based on the inability of the embassy to carry out further useful functions after it had arranged the evacuation of all Canadian citizens who wished to leave and on concern for the safety of the embassy staff. Following the capture of Saigon, Canada and the Provisional Revolutionary Government of South Viet-Nam agreed on June 25 to establish diplomatic relations, but the office in Saigon was not reopened. With the progressive integration of North and South Viet-Nam, responsibility for South Viet-Nam passed in practice to the Canadian Embassy in Peking.

On April 25, following the capture of Phnom Penh by the armed forces of the Khmer Rouge and the collapse of the government of the Khmer Republic, Canada recognized the Royal Government of National Union of Cambodia (GRUNK) headed by Prince Sihanouk.

A further consequence of events in Viet-Nam and Cambodia was the assumption of complete power in Laos by the Pathet Lao and the abdication of the King. Canada continued with the new régime the relations it had maintained with the old. The Canadian Embassy in Bangkok remained responsible for relations with Laos.

In accordance with previously-stated commitments, Canada set up in April a special humanitarian aid program to Indochina at a cost of \$16,750,000, enabling supplies of food and medicine to be distributed to the areas most seriously affected by the long war. The Canadian program was administered locally by a number of international organizations with previous experience in the area, such as the UN High Commissioner for Refugees, the UN Children's Fund and the International Red Cross. In addition, in the spring Canada established a special program to allow several thousand refugees from this region to emigrate to Canada.

Other relations in the region

Relations between Canada and Burma made satisfactory progress in 1975. Canada decided to step up considerably its aid to Burma's development efforts in a new five-year assistance program, and talks were held between the authorities of the two countries about how this new Canadian contribution was to be used.

Hong Kong continued in 1975 as a major source of low-cost imports and investment capital, and as a market for Canadian goods and services. Canadian exports to the colony amounted to \$42 million, while imports were \$171 million. Canada continued to receive large numbers of immigrants and students from Hong Kong, which was also the point of departure for Canada for many Vietnamese refugees in the spring of 1975.