

during 1972 we will become a permanent observer to the Organization of American States with a diplomatic mission accredited to that organization. This is a big step, so recognized by the Latins who...some of whom would, of course, have preferred if we'd become full members, but who are delighted that we are associating ourselves in this way. We've also joined a number of organizations associated with the Organization of American States. Pan-American Organization on Health is an example. We have applied for membership in the Inter-American Bank for Development which hitherto had been limited to members of the O.A.S., but we are being accepted as a member of the bank. Now this is quite a change and quite a development in relations between Canada and the Latin American countries. We've also been moving to increase our aid programme in South America. We have a very big aid programme, of course, in the Caribbean, but we've been stepping up our programme in Latin America both bilaterally and through the Inter-American Bank.

- Q. Finally, one of the larger thrusts of the last year or two have been the moves in the Pacific, and with the Soviet Union as far as that goes. Do you see closer...any more close relations developing in that area?
- A. Yes, I think our relations, in the Pacific of course, are going to grow very quickly. I don't think most Canadians living in Eastern Canada are quite aware of how close those relations have already become. People living west of the Great Lakes are much more conscious of it because of the very big wheat sales that have been made to China and Japan, and also the big investments that the Japanese have been making on the West Coast, and the big sales of metals and other primary products to Japan. Japan has now become our third trading partner, following the United States and Britain and very shortly it is likely to become the second. So that our relations with Japan have developed apace and are continuing to develop. Japan is one of two countries with which we have regular ministerial meetings -- every year we meet with the Japanese as ministers, three or four ministers from each country in either Canada or Japan, to discuss our developing interests. This is a mark of how close our relations have become there. We were one of the first in recent years to move towards the recognition of Peking as the Government of China. We are credited with having started the movement going that has resulted in Peking now occupying the China seat in the United Nations. I think that's right. I think we found the formula. We found the means by which we could recognize Peking without having to pass judgement upon the status of Taiwan. Our relations with Indonesia are beginning to develop. Indonesia is probably one of the potentially