

highly developed market economies and countries on the verge of important energy and (in Australia) resource development projects. In recognition of the significant opportunities for Canada, the Minister of State for Trade led a group of 32 Canadian businessmen on a trade development mission to Australia and New Zealand in May and signed double taxation conventions with each country. This visit, and that to Canada of New Zealand Deputy Prime Minister Brian Talboys in August, emphasized that Australia and New Zealand share Canada's desire for reinforced economic ties. The three governments have agreed that the bilateral trade and economic relationships should be re-examined in light of the potential for more extensive co-operation, and Canadian officials have begun a detailed review of the potential for Canadian trade with Australia and New Zealand. This review is expected to produce a second round of trade talks with each country in 1981, and to determine the shape of the intergovernmental arrangements needed to encourage the private sector to take advantage of the extraordinary opportunities these countries will offer in the 1980s.

Moves to broaden the economic relationship are particularly apparent in current efforts by the Canadian government to lend support to Canadian commercial bids to supply Australia with satellite telecommunications equipment and the Telidon videotex system. Similarly, the potential for Canadian participation in energy developments was clearly demonstrated when the New Zealand government awarded to a New Zealand-Canadian consortium the contract for a \$130 million commercial methanol plant.

A number of provincial ministers and one major provincial trade mission have travelled to one or both of Australia and New Zealand. These visits have been reciprocated by Australian state ministers travelling to several Canadian provinces.

This past year has thus been particularly active with wide-ranging co-operation and consultation between governments. But, perhaps more important, there have been equally vigorous exchanges in the private sector. Officials, educators and businessmen have travelled increasingly among the three countries to discuss such common questions as the "Pacific community" concept, federal-provincial relations, legal systems, Maori and native peoples' policies, energy and resource technology. Many businessmen and academics have taken part in official and private visits and exchanges over the past year, and a number of influential Australian journalists and opinion-formers have come to Canada as part of a continuing departmental program to familiarize foreign opinion-makers with Canadian strengths and capabilities. It is this constant exchange at all levels of government, business and the professions that gives the relationship enduring meaning and substance for all three countries.

Canadian objectives in the South Pacific have been more modest, but nonetheless show encouraging promise for increased consultation and economic co-operation. These include exchanges in traditional areas of common interest such as the Commonwealth and the Pacific (most specifically fish-

eries and economic zone management, and law of the sea), but also extend to possible provision by Canadian business of technical expertise, goods and services related to mining, communications, telecommunications, timber and fisheries development. In 1980, there were working visits to Canada by ministers or senior officials from the Solomon Islands, Fiji and Papua New Guinea. Deputy Prime Minister Iambakey Okuk of Papua New Guinea visited Canada to sign a contract providing de Havilland *DASH 7* aircraft for Air Niugini. Canada has maintained an effective and valued program involving some \$600,000 in assistance for small scale development projects in the South Pacific region, and has put in place arrangements to assign two bilingual legal counsel and two translators to newly independent Vanuatu.

South and Southeast Asia

In 1980, increased world attention was focused on the South Asia region. As the year began, Soviet troops had just invaded Afghanistan and the reaction internationally to this event underscored the critical importance of the region in terms of global stability and East-West relations. It became evident that greater Western strategic attention would in the future be focused on South Asia, particularly in terms of responding to Pakistan's vulnerability and expanding relationship with other countries of the region, especially India. South Asia also continued to be of active concern in terms of Canada's nuclear non-proliferation policy. As preparations advanced for the proposed North-South Summit (which would include both India and Bangladesh), Canada sought to intensify its discussions on international economic issues with the countries of the area which comprise a total population of almost one billion. Canada's membership in the UN *Ad hoc* Committee on the Indian Ocean involved participation in discussions concerning the proposal for a conference on the Indian Ocean as a zone of peace.

The UN General Assembly, in January 1980, was convened for the first time in 13 years under the "uniting for peace" provision to consider the Soviet invasion of Afghanistan. Pakistan, with other Islamic Summit countries, took a leading role in promoting a resolution which condemned the Soviet invasion of Afghanistan, called for the immediate withdrawal of foreign troops and reaffirmed the right of the Afghan people to self-determination free from outside interference. In voicing its support for the resolution, Canada forcefully condemned the Soviet invasion. The resolution was passed by an overwhelming majority of the UN body. In November, the General Assembly passed, by an even larger majority than in the January 1980 session, a resolution calling for the withdrawal of foreign troops, reaffirming the right of the Afghan people to self-determination and requesting the Secretary-General to appoint a special representative to explore the possibility of a political solution to the problem.

In addition to its strong stand at the UN, Canada, in conjunction with its allies, took measures in 1980 designed to impress upon the Soviet Union the adverse consequences of its flagrant violation of Afghan sovereignty. Canada also refused