

groups and delegations engaged in trade. It was agreed that a program of such interchanges for the coming year would be established during the December meetings of the joint committee. I suggested, in particular, that consideration be given to such areas as transportation, forestry and agriculture.

In the trade agreement, both governments agree to facilitate the development of mutually-beneficial, long-term commercial arrangements between the relevant trading bodies and enterprises of the two countries. In this regard, the Premier and I were pleased to note that Canada and China had just signed a long-term wheat agreement under which China will buy up to 224 million bushels of Canadian wheat over the next three years. Long-term arrangements appear to be particularly useful in a number of other product areas. Two such examples, where it was agreed that detailed discussions might be initiated quickly between the enterprises and organizations concerned in Canada and China, are aluminum and woodpulp. Both sides also exchanged views on potash, sulphur and nickel and agreed that further discussions should take place between the relevant trading bodies and enterprises.

I noted that there had been a significant increase of Chinese imports from Canada of manufactured goods, including capital equipment. Of particular importance were generators, insulated wire and cable, telecommunications equipment and electronic equipment and components. I fully expect that this trend will continue.

During the visit, we were advised that, when importing complete plants, China would consider Canada as a source of supply. In this respect the Chinese indicated that, when they decided to purchase a complete synthetic rubber-producing plant, they would consider Canada first.

In my discussions, I noted that Chinese exports to Canada had doubled in 1972 over 1971, and I expressed the hope that they would continue to increase and that China would take advantage of the varied export opportunities in the Canadian market. I appreciate, of course, that an expansion of our exports to China should be accompanied by an expansion of Chinese exports to Canada. That is what two-way trade is all about. We agreed, in this connection, that both governments should try to render whatever help and assistance they could.

Medical science  
and health care

During my visit there has been a most profitable exchange of views in the medical science and health-care field. More particularly, it has been agreed as follows:

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