

have noted with satisfaction Japanese participation in the development of natural resources in British Columbia and Alberta and we would welcome more Japanese investment, particularly in our manufacturing industries.

CULTURAL RELATIONS

Important as these economic relations are, I would not want to leave the impression that they are the be-all and end-all of Canadian relations with Japan, nor that the quality of our appreciation of each other as nations can best be measured by ringing up mutually profitable sales, each on his own cash register. This is far from being the case. Japan was a major exhibitor at Expo 67. In Osaka, Canada will be represented not only by the Federal Government's pavilion but also by the pavilions of three of our provinces, British Columbia, Ontario and Quebec. Visitors of all sorts - tourists, businessmen, officials, politicians - are moving in increasing numbers between Canada and Japan: some 15,000 Canadians came to Japan last year and many more are expected in 1970. Canadian students, scholars and artists come here to study the great cultural and artistic heritage of this ancient land. The Toronto Symphony Orchestra - conducted, I might note, by Seiji Ozawa who has become famous in North America - is at present performing in Japan, the first such tour by a Canadian orchestra.

Our deepening relations in non-governmental fields, and the rapidly growing importance of Japan as a world power, have as their natural concomitant an even closer political relation. Bilaterally, in the current ministerial committee meeting and in individual meetings with federal and provincial Canadian cabinet ministers; multilaterally, in the close collaboration which exists between Japanese and Canadian delegations in all the major international organizations to which we both belong, we find ourselves exchanging ideas with the ease and frankness which reflects mutual respect and a broad similarity of approach to many problems. In the political field our co-operation is particularly close in the United Nations and its agencies. In the economic field, it expresses itself especially in our mutual interest, as non-European powers, in the OECD and the GATT. Both of us have the U.S.A. as our chief trading partner and both of us are concerned lest the economic world of the developed countries become a U.S.A.-EEC dialogue.

CHINA

In recent months the Canadian Government has, as you know, undertaken a complete review of Canadian policy towards China. This is, in part, a reflection of our awareness of Canada as a Pacific nation, since no consideration of the area could be complete without close attention being paid to this vast country containing almost one quarter of the world's population. The Canadian Government's plans stem from

the public statement made on May 29, 1968 by our Prime Minister, Mr. Trudeau, to the effect that if his Government was re-elected it was his intention to open discussions leading to recognition of the Government in Peking. After several months of intensive study within our own administration and discussion with some interested governments, the decision was taken to have our embassy in Stockholm approach the Chinese Embassy in that city with a proposal that we enter into substantive discussions. We have now had a Chinese reply to that approach and we hope that the discussions in which we are about to engage in Stockholm will lead in due course to the exchange of diplomatic missions.

Perhaps this would be an appropriate occasion to explain why, despite the reservations that have been frankly expressed to us by some friendly countries, we have come to the conclusion that it would be desirable for Canada to seek diplomatic relations with the People's Republic of China at this time.

Briefly, the reason is not unlike that offered by a distinguished mountaineer when asked why he continued to attempt the conquest of Mount Everest: "Because it is there!" The effective government of China is and has been for almost 25 years, the Government in Peking. For much of that time, Canada has been expanding and developing relations with China in a number of fields, and in some of them - particularly trade - our relations with China have become important to us. But if China is important to Canada, one has only to open a newspaper almost any day to appreciate that China has come to occupy an important, perhaps even critical, position in today's world. If a stable basis for peace in the world can be found, it is clear that China must participate in the finding. If Asian problems are to be solved, China must take part in their solution.

Given these facts, and the growing importance of China both to Canada and to the world, the question is not really, "Why should Canada recognize Peking?" but, "Why should Canada not seek diplomatic relations with the world's most populous nation?" In our view, the normal, logical and reasonable thing would be to have diplomatic relations with a country of such importance. However, since the issues involved are obviously highly controversial ones in the international community, it had been the position of the Canadian Government that it might be more appropriate for a country such as Canada to place first priority on a resolution of these problems in the context of the United Nations. In the absence of such a solution, it is now our best judgment that whatever uncertainties and disadvantages there may have been are unlikely to outweigh the arguments for trying to normalize our relations with the People's Republic of China.

In the Canadian Parliament and elsewhere, I have in the months since the Canadian Government's intentions with respect to China were first declared, been asked many questions on the position of Taiwan.