

not always been in a position to service our business community as well as we would all like. The obvious solution is to beef up the staff. Curiously enough, that is exactly what we are doing. We will be increasing resources both for our post in Beijing and our post in Hong Kong to cover China. We will speed up the construction of the new embassy in Beijing. We will also be considering ways and means of establishing a Canadian presence in Shanghai.

We are also reviewing a range of export incentives. The most important of these at the moment is the Program for Export Market Development (PEMD) with which I am certain you are all familiar.

As part of our fairs and mission programmes, I would like to announce today that at the request of the Chinese government, Canada will participate in the Asian Pacific trade fair to be held in Beijing in November of this year.

This major exercise will involve approximately 100 Canadian companies, mainly from the energy, transportation, communication and agriculture areas. Our main focus will be trade promotion and we are counting on you to publicize the Canadian participation in this event in your business contacts with the Chinese. Only if we work together can we hope to maximize the benefits from our participation in this prestigious international fair.

As a means of strengthening our economic relations with China and as part of the Export 85 program, I myself and many of my fellow Ministers hope to lead trade missions to the PRC in the coming year. In addition the Chinese Minister for Foreign Economic Relations and Trade, Madame Chen Mu Hua, and her colleague the Minister responsible for Water Resources and Electrical Power, Madame Quian Zheng Ying, have accepted our invitation to visit Canada in 1985.

One of the issues that we will be studying is the financing of Chinese technology imports. Chinese foreign exchange reserves are now estimated at approximately \$10 billion. This is a considerable sum, but it is not enough to meet Chinese development requirements. Concessional financing from other countries will not suffice either. My government will be taking a very close look at the special conditions facing Canadian companies operating in China. There may be some possibilities in this area but I am not sure we'll be able to meet all of China's expectations.