

growth. However, 1982 has witnessed an economic slow-down in Thailand as a result of a reduction in the value of agriculture production, declining investment, and less than predicted gas revenues. The GNP in 1982 is predicted to be less than 5%, the lowest in more than twenty years. Nevertheless, Thailand is faring well during a time of world recession, protectionism and fluctuating currency exchange rates and its single digit inflation rate is the envy of many developed countries.

Foreign Relations

Thailand leans to the West in its foreign policy. Relations with Western countries have recently benefited from international concern for Thailand's security in the face of Vietnamese pressure and Thailand's generous response to the Indochina refugee exodus. ASEAN is another cornerstone of Thai foreign policy. Thailand had attempted in the past to maintain equidistance between Moscow and Peking but its strong opposition to the Vietnamese invasion of Cambodia has aligned its policy on Indochina closer to that of Peking. If Thailand is to achieve and maintain political and economic stability in the years ahead it will require further support from Western countries, both in alleviating the refugee burden, and in accelerating the development of its agricultural and industrial sectors.

Canada/Thailand Relations

Canada's interest in Thailand dates from Canadian participation in the Indochina Control Commissions and the Colombo Plan in the 1950's. Relations have broadened over the years with Canada's increased interest in ASEAN, its position as a major recipient of Indochinese refugees, and expanded trade. A new aid programme for Thailand commenced in 1981 with a five year indicative planning figure of \$50 million. The major thrusts of this program include (a) industrial development - mineral resources, energy, trade and investment promotion; and (b) rural development. In the long term Canada aims at establishing a close and substantive economic relationship with Thailand through the provision of development assistance and the promotion of commercial activity. This policy is consistent with a desire to promote peace and stability in Southeast Asia through economic development.

Canada has accepted over 70,000 refugees from Indochina since 1979 of which over 20,000 have come from camps in Thailand. Thailand has been appreciative of Canada's resettlement program to date and Foreign Minister Siddhi in particular has been laudatory of Canada. Since