

relations has been accompanied by a significant and growing program of Canadian development assistance to Africa. This program directed \$212 million in bilateral assistance to the African continent in 1975-76 and approximately the same amount in 1976-77.

Canada and the Asian and Pacific Region. The countries of Asia and the Western Pacific include some of the more highly industrialized in the world as well as some of the poorest. Canada is expanding its trade and economic relations with the former group and is providing development assistance to the latter. Consistent with the government's policy of diversifying foreign relations, considerable effort has been made to expand and strengthen relations, in particular with Japan, but also with Australia, New Zealand, China and Indonesia.

The importance of Asia as a trading area is evident from the emergence of Japan by 1973 as Canada's second largest bilateral trading partner, immediately behind the US, with two-way trade amounting to more than \$3.3 billion in 1975. Relations between the two governments, between the two business communities, and on a people-to-people level continued to grow. Similar links were forged between Canada and Indonesia, and other member states of the Association of South East Asian Nations (ASEAN) as meetings between government representatives, businessmen and travel by the general public increased during 1975.

Canada's interest in cooperation and development is promoted through participation in the Colombo Plan, Canada's official observer status with the Economic and Social Commission for Asia and the Pacific, and active membership in the Asian Development Bank. This is particularly evident in the Indian sub-continent. Since development assistance was first given under the Colombo Plan in 1951, Canada had disbursed approximately \$2.3 billion in the region. During 1975, for example, India, Pakistan, and Bangladesh were respectively the first, second and third largest net recipients of Canadian aid.

A part of this relationship, the partnership developed since 1956 with India and Pakistan in the field of peaceful uses of nuclear energy, became highly controversial when India exploded a nuclear device in May 1974 using plutonium derived from one of the Canadian donated installations. In Canada's view, the test had a seriously destabilizing effect on international efforts to limit and control the proliferation of nuclear-explosive technology. Canada's reaction to the event was to suspend nuclear cooperation and place under review certain other aspects of its aid program that might contribute indirectly to India's nuclear effort. Protracted bilateral discussions on the implications of the explosion were unable to resolve differences in the nuclear policies of the two countries, resulting in a decision by the Canadian government in May 1976 to terminate its program of nuclear cooperation with India, although the Canadian government remains prepared to pursue common objectives with India in other fields of mutual interest. Talks with Pakistan, aimed similarly at upgrading safeguards governing Canadian nuclear facilities in that country, continued.

For more than a quarter century parts of Asia have been centres of tension and conflict. Canada participated in various international efforts to restore peace in Kashmir, Korea and Indonesia. From 1954 to 1973 Canada was a member of the two International Control Commissions that were called upon to supervise the application of various international agreements on Indochina. As hostilities drew to a close in early 1975, Canada set up a special humanitarian aid program to Indochina at a cost of \$16.75 million, enabling supplies of food and medicine to be distributed to the areas most seriously affected by the long war. The Canadian program was administered locally by international organizations such as UNICEF, UNHCR and the Red Cross. Canada maintains diplomatic relations with Viet-Nam and Laos but not with Cambodia.

Relations between Canada and the People's Republic of China continued to develop and two-way Sino-Canadian trade reached \$420 million in 1975. Several scientific and commercial missions were exchanged. In April 1975, a Canadian landscape painting exhibition was held in Peking and Shanghai, the first exhibition of Western painting in China since the Cultural Revolution began.