

CLASSIFIED

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File No. Dossier 20-1-2-CHINA
Volume 43 From-De 890622 To-À 890715
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20-1-2-CHINA
Vol 43

~~SECRET~~ A-5

ACCESS TO INFORMATION
L'ACCÈS À L'INFORMATION
EXAMINED BY / EXAMINE PAR
M. Boudoin
DATE / DATE:
1999 / 11 / 23

VOLS ACCESSION NO. 136135

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LOST
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TITLE—TITRE:

Political Affairs -
Policy and Background -
Canadian External Policy and Relations -
China

Affaires politiques -
Politique et historique -
Politique étrangère du Canada -
Chine

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136135-48

Retention period—Période de retention:

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DEPARTMENT
OF
EXTERNAL AFFAIRS

MINISTÈRE
DES
AFFAIRES EXTÉRIEURES

1999

N.A.R.C.
FRG: 45-100
FRCLOC: BOX 47



Government
of Canada

Gouvernement
du Canada

CLOSED VOLUME VOLUME COMPLET

Dated From À compter du	890622	To Jusqu'au	890715
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AFFIX TO TOP OF FILE – À METTRE SUR LE DOSSIER

DO NOT ADD ANY MORE PAPERS – NE PAS AJOUTER DE DOCUMENTS

FOR SUBSEQUENT CORRESPONDENCE SEE – POUR CORRESPONDANCE ULTÉRIEURE VOIR	
File No. – Dossier n°	Volume
26-1-2-CHINA	44



RETURN TO RENOYER AU	DICO	FOR FILING POUR - ETRE PORTE AU DOSSIER
ACC	REF	DATE
FILE	DOSSIER	
20-1-2-CHINA		
<u>CONFIDENTIAL</u>		

PARIS ECONOMIC SUMMIT
(JULY 14-16, 1989)

SYNOPSIS BRIEF - CHINA AND HONG KONG

DESIRED OUTCOME

- Register strong reaction of Canadian people to the violent repression of student-led demonstrations in Beijing in early June.
- Obtain the views of Summit participants on how the longer-term relationship between Western countries and the People's Republic of China will be affected by recent events in China.
- Promote a balanced response from Western states which will avoid Canada becoming exposed in our response to repression in China.
- Obtain support for inclusion of a reference to China in the statement to be issued at the conclusion of the Summit.

POINTS TO REGISTER

- Canada was deeply moved by the loss of life incurred by the violent repression of the student demonstrations.
- Canada has responded with a series of measures which made clear to the Chinese the depth of our dissatisfaction over the Chinese military actions in Beijing.
- The bilateral relationship is effectively suspended, and while we continue to value our links with China, there cannot simply be "business as usual".
- The historic Chinese "open door" policy remains of important strategic importance to the West, and we would hope that the result of the events centred on Tiananmen will not mean a new isolation of China.
- The Chinese leadership clearly is willing to risk damaging its relationships with the West in order to preserve political orthodoxy in China. There is no certainty, however, that the pressures for political change can be indefinitely resisted.
- The fate of Hong Kong, which has developed strong human, financial and trade links to Canada, is of concern to Canada.

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PARIS ECONOMIC SUMMIT
(JULY 14-16, 1989)

CHINA AND HONG KONG

ISSUE

Western responses to the recent violence carried out by the Chinese military should be coordinated to obtain the maximum effect of Western disapproval and sanctions.

BACKGROUND

On June 3-4 the Chinese military violently suppressed the student demonstrations in central Beijing, which had been taking place since mid-April. The death toll was heavy (perhaps 2000 - 3000.)

The Chinese Communist Party formally sacked the party General Secretary Zhao Ziyang on June 24, replacing him with the Party Secretary of Shanghai Jiang Zemin. Jiang has been committed to policies of economic reform, but may have also benefitted from his skilful management of the crackdown on dissidents in Shanghai. (While there have been executions and arrest in Shanghai, the repression was accomplished without resort to martial law or the level of violence employed in Beijing.) A close associate of Zhao Ziyang was also purged from the Standing Committee of the Party Political Bureau, and two other members were elected. Deng remains clearly in control of the Party.

Executions of persons involved in the unrest of June have been carried out in several Chinese cities, including Beijing and Shanghai. Not all death sentences are being linked to the demonstrations, and the Chinese authorities have not admitted to executing any students.

Senior editors have been fired in Beijing, presumably for sympathetic reporting of the student demonstrations, and there is evidence that this may be the beginning of a purge of sympathizers of the reformer movement. All Party members have been "studying" the June 9 instructions of Deng Xiaoping to the military commanders, which gave the official version of the Tiananmen violence.

As the 1997 hand-over date for Hong Kong approaches, the populace and economy of Hong Kong react in an increasingly nervous fashion to developments on the mainland. June was a traumatic month for Hong Kong, and the push for emigration has dramatically grown.

CANADIAN POSITION

Our bilateral relationship with China, for all practical purposes, is effectively in a state of suspension. The measures initially taken by the Government were outlined during the Emergency Debate in the House on June 5th. A further set of responses was announced on June 30. It is the view of the Government that Canada as a country simply cannot accept that its relations with China can proceed on the basis of "business as usual" given the massacre at Tiananmen Square and the subsequent campaign of repression.

The government believes care should be taken in the imposition of permanent sanctions, such as the cancellation of cultural or academic exchanges or steps to reduce or eliminate our bilateral programs of trade or development assistance. Such steps could be counterproductive in pushing China towards isolationism and would certainly be premature in the current unsettled environment.

Given our own decision to postpone signing of new development assistance agreements, we understood and sympathized with the approach taken by the World Bank and other international financial institutions to defer considerations of new loans to China.

Hong Kong

Canada is sympathetic to the plight of Hong Kong, whose links with Canada have grown so quickly. It is clear however, that the primary responsibility for the colony must lie with the U.K. and China. Canada currently receives the largest number of Hong Kong emigrants, and Hong Kong is our largest single source of immigrants.

POSITIONS OF OTHER G-7 MEMBERS

USA

The reaction of the USA government to the crisis appears driven by two opposing policy considerations.

CONFIDENTIAL

- 3 -

- 1) horror over the abuse of human rights, evident in both USA media and private reactions to the brutality in Tiananmen square.
- 2) strategic considerations, specifically the wish to avoid driving China into a closer relationship with the Soviet Union, and the need to maintain contact with an emerging superpower.

The USA also has key listening stations located within China, which monitor Soviet missile tests. USA military sales to China have been cut off, if other Western countries support this ban, China could probably obtain most of what it requires from the Soviet Union. The pressure for sanctions comes from Congress (several bills and resolutions aimed at China have already been proposed, but only two non-binding measures have passed) not the Administration.

The USA has suspended senior non-military exchanges with China. The USA has also led a (successful) campaign to secure the postponement of consideration by international financial institutions of Chinese loan applications "at least for time being".

JAPAN

Japan, as China's principal foreign economic partner, would have to play a crucial role in any Western-led program of economic sanctions against China for them to be effective. (Japan is the principal trader with China - US\$19.3 billion in 1988.)

The Japanese claim however, that their historical involvement in China (in particular their 1937-1945 occupation) limits their ability to adopt public stances critical of China. Prime Minister Uno has called on the Chinese leaders ("as a friendly neighbour") to avoid actions which might lead to isolation of China from the international community. Some Japanese officials have also warned against driving China closer to Soviet Union.

Foreign Minister Mitsuzuka told a press conference on June 23 that Japan does not plan to impose any direct or indirect economic sanctions against China, and even high-level contacts between the two countries will not be suspended.

EUROPEAN COMMUNITY

The European Council Summit held in Madrid in June:

- a) endorsed the bilateral measures already undertaken by EC states;
- b) announced a suspension of all new aid projects by EC or member states in China;
- c) agreed on a ban on high-level visits between the EC members and China;
- d) interrupted military cooperation and imposed a military embargo on the arms trade with China;
- e) agreed to raise China's human rights record of China in "appropriate international fora";and
- f) supported postponement of consideration of new credits for China by the World Bank.

Hong Kong

The United Kingdom has postponed one meeting of the Sino-British Working Group on Hong Kong, in response to the Tiananmen massacre. There is little possibility that the British will renounce the understanding they had previously reached with the Chinese to hand over the colony to China in 1997.

There also appears to be little prospect that Britain will agree to accept as residents the large percentage of the Hong Kong population that hold British Nationality passports.

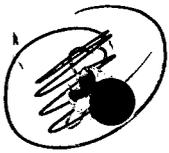
We understand that the British may be seeking a statement on Hong Kong at the Summit.

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PARIS ECONOMIC SUMMIT
(JULY 14-16, 1989)

CHINA AND HONG KONG
INTERVENTION POINTS

1. OUR BILATERAL RELATIONSHIP WITH CHINA IS EFFECTIVELY SUSPENDED. IT IS NOT A "RELATIONS AS USUAL" OR "BUSINESS AS USUAL".
2. WE VALUE CANADA-CHINA LINKS HOWEVER, AND OURS IS NOT AN "ANTI-CHINA" POLICY.
3. WE WISH TO AVOID MEASURES THAT WOULD PUSH CHINA TOWARDS ISOLATION.
4. IT IS IMPERATIVE TO MAXIMIZE THE IMPACT OF WESTERN MEASURES THROUGH A RELATIVELY COORDINATED APPROACH.
5. IN OUR BILATERAL RELATIONSHIP WE WILL ATTEMPT TO AVOID PROGRAMS WHICH BENEFIT TO THE CURRENT REGIME, MOST PARTICULARLY THE MILITARY OR STATE PROPAGANDA APPARATUS.
6. WE FIND THE CURRENT REPRESSION, OF WHICH THESE EXECUTIONS AND DEATH SENTENCES ARE A PART, THOROUGHLY ABHORRENT. NO ONE IS CONVINCED BY CHINESE ASSERTIONS THAT DUE PROCESS IS BEING FOLLOWED OR THAT THOSE BEING SENTENCED TO DEATH ARE SIMPLY "COMMON CRIMINALS". THE TRIALS ARE CLEARLY BEING USED TO INTIMIDATE THE CHINESE POPULATION.
7. CANADA IS HOPEFUL THAT THE STABILITY OF HONG KONG CAN BE PRESERVED AFTER 1997, BUT THAT DEPENDS ON THE PRC AUTHORITIES REGAINING THE CONFIDENCE OF THE HONG KONG POPULATION.
8. FOR YEARS CANADA HAS RECEIVED MORE IMMIGRANTS FROM HONG KONG THAN ANY OTHER COUNTRY. WE EXPECT THAT THIS WILL CONTINUE.



Pls draft reply in accordance with latest PNR/IDR agreed position.



Handwritten initials/signature

ACTION
SUITE A DONNER

Handwritten: FILE

ACC	NO	JUL 17 1989
FILE	20-1-2-CHINA	

C O N F I D E N T I A L

FM HSNKI YZGR1416 12JUL89

TO EXTOTR ~~IDR~~

INFO MOSCO STKHM OSLO COPEN

DISTR RWR

---CHINESE ARMY DAY: 01AUGUST

HOM HAS RECEIVED INVITATION FROM CHINESE MILITARY ATTACHES TO ATTEND 01AUG RECEPTION FOR CHINESE ARMY DAY. NATO COLLEAGUES HAVE RECEIVED INSTRUCTION THAT NO/NO OFFICIALS TO ATTEND.

2. PLEASE ADVISE.

CCC/021 132500Z YZGR1416

ACTION REQUEST/FICHE DE SERVICE

From/De : OFFICE OF THE PRIME MINISTER
CABINET DU PREMIER MINISTRE (PMO)

No. : A-04660-89

Subject/Sujet : CHINA CRISIS
Classification: POLITICS ASIA PAC NORTH * POLITIQUE ASIE PAC NORD

Action div./Dir. resp.: **PND**
Info :

Let./Tel. dated
Let./Tel. en date du

Date sent to division
Date d'envoi a la direction

Deadline date
Echéance

0 / /

11 JUL 89

RETURN TO RENOYER AU	BICO	FOR FILING BOUR - ETRE PORTE AU DOSSIER
ACC	REF	DATE
FILE	DOSSIER	
20-12-CHINA		

Comments/Commentaires

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RESERVE A LA DIRECTION

ACTION REQUIRED/SUITE A DONNER

- | | |
|---|--|
| <input type="checkbox"/> Reply for signature of SSEA
Reponse pour la signature du SEAE | Date received/Date recue
<i>July 12/89</i> |
| <input type="checkbox"/> Reply for the signature of
Reponse pour la signature de | Action officer/Agent resp.
<i>G. Haulden</i> |
| <input type="checkbox"/> Reply by division
Reponse de la direction | Disposition and/et date |
| <input type="checkbox"/> For information and any necessary action
Pour examen et suite a donner, s'il y a lieu | <i>APPROPRIATE ACTION
TAKEN FOR EACH
LETTER.</i> |
| <input type="checkbox"/> CAMPAIGN: Reply for signature of SSEA
CAMPAGNE: Reponse pour la signature du SEAE | |
| <input type="checkbox"/> CAMPAIGN: Reply by division
CAMPAGNE: Reponse de la direction | For MINA use/
Reserve a MINA |
| <input checked="" type="checkbox"/> CAMPAIGN: For information and any necessary action
CAMPAGNE: Pour examen et suite a donner, s'il y a lieu
Quantity/Quantite: 10 | |

ALL TRANSFERS TO BE REPORTED TO MINA RECORDS 995-1047 OR/OU
LES ARCHIVES DE MINA DOIVENT ETRE AVISEES DE TOUT CHANGEMENT 992-6428

White - Return to MINA registry when action completed
Blanche Retourner aux archives de MINA lorsque suite a ete donnee
Yellow - Divisional secretary Green - File with original incoming letter
Jaune Secretaire de direction Verte Au dossier avec la lettre recue

ACTION REQUEST/FICHE DE SERVICE

From/De : MINA

No.: A-04674-89

Subject/Sujet : CHINA CRISIS

Classification: POLITICS ASIA PAC NORTH * POLITIQUE ASIE PAC NORD

Action div./Dir. resp.: PND
Info :

Let./Tel. dated
Let./Tel. en date du

0 / /

Date sent to division
Date d'envoi a la direction

11 JUL 89

RETURN TO REVOYER AU	BIG-0	Deadline date Echeance FOR FILING POUR ETRE **25 JUL 89
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20-1-2-CHINA		

Comments/Commentaires

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ACTION REQUIRED/SUITE A DONNER

- Reply for signature of SSEA
Reponse pour la signature du SEAE
- Reply for the signature of
Reponse pour la signature de
- Reply by division
Reponse de la direction
- For information and any necessary action
Pour examen et suite a donner, s'il y a lieu
- CAMPAIGN: Reply for signature of SSEA
CAMPAGNE: Reponse pour la signature du SEAE
- CAMPAIGN: Reply by division
CAMPAGNE: Reponse de la direction
- CAMPAIGN: For information and any necessary action
CAMPAGNE: Pour examen et suite a donner, s'il y a lieu
Quantity/Quantite: 11

Date received/Date recue
July 12/89
Action officer/Agent resp.
G. Haulden
Disposition and/et date
ACTION TAKEN AS
APPROPRIATE FOR
EACH LETTER.

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LES ARCHIVES DE MINA DOIVENT ETRE AVISEES DE TOUT CHANGEMENT 992-6428

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Yellow - Divisional secretary Green - File with original incoming letter
Jaune Secretaire de direction Verte Au dossier avec la lettre recue

UNCLASSIFIED

FM EXTOTT IMH1107 11JUL89

TO PEKIN DELBY 12 1200

INFO SHNGI GENEV

DISTR PNR

REF YOURTEL WJGR3538 OF 11JUL

---ECOSOC:CANADIAN STATEMENT

GENEV REFTEL CONTAINING FULL TEXT OF SPEECH BY AMB FORTIER BAGGED TO PEKIN.

2. SECTION ON HUMAN RIGHTS AND CHINA AS FOLLOWS:

QUOTE MR. PRESIDENT,

IN A FEW SHORT DAYS, THE WORLD WILL MARK] [E TWO HUNDREDTH ANNIVERSARY OF AN HISTORIC REVOLUTION WHICH SIGNIFICANTLY HELPED RESHAPE THE WORLD WE LIVE IN TODAY. THE IDEALS OF THAT REVOLUTION -- LIBERTE, EGALITE, FRATERNITE -- THEN AS NOW HAVE BEEN ACHIEVED ONLY PARTIALLY. THE IMPORTANT EVENTS IN RECENT MONTHS -- NOTABLY IN SOCIALIST COUNTRIES -- HAVE REAFFIRMED THE DESIRE OF INDIVIDUALS EVERYWHERE TO ENJOY FULLY THEIR HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS -- CIVIL, POLITICAL, ECONOMIC, SOCIAL, AND CULTURAL.

3. THE UN CHARTER HAS, AS ONE OF ITS CENTRAL PURPOSES, THE PROMOTION OF RESPECT FOR HUMAN RIGHTS AND FOR FUNDAMENTAL FREEDOMS. THE UNIVERSAL DECLARATION OF HUMAN RIGHTS SETS OUT THOSE RIGHTS AND FREEDOMS IN THE FORM OF PRINCIPLES THAT ARE NOW PART OF THE BODY OF

.../2

19-VII-89
BILW

RETURN TO RENOYER AU	BIGO	FOR FILING POUR -- ETRE POSE AU DOSSIER
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CUSTOMARY INTERNATIONAL LAW, BINDING ON ALL STATES. IT IS INCUMBENT ON ALL MEMBER STATES TO ADHERE FULLY TO THOSE BASIC PRINCIPLES OF INTERNATIONAL LAW.

4. CANADIANS WERE PROFOUNDLY SHOCKED BY THE INDISCRIMINATE AND EXCESSIVE USE OF FORCE BY THE CHINESE GOVERNMENT IN JUNE WHICH RESULTED IN A LARGE NUMBER OF CIVILIANS DEATHS. MORE RECENTLY, WE HAVE BEEN DEEPLY CONCERNED BY THE CRACKDOWN ON DISSENT, WHICH HAS ENTAILED MANY ARRESTS AND THE IMPOSITION OF EXTREME PENALTIES FOR MANY INDIVIDUALS. THESE EVENTS MAKE IT VERY CLEAR THAT ECONOMIC REFORM ALONE WILL NOT SATISFY THE CRAVING FOR FREEDOM, AND WILL NOT WORK UNLESS THAT CRAVING IS MET.

5. CANADA HAS ALREADY MADE KNOWN TO THE CHINESE GOVERNMENT OUR VERY DEEP CONCERN OVER RECENT EVENTS AND HAS MADE SEVERAL ADJUSTMENTS IN OUR RELATIONSHIP WITH CHINA. WE, ALONG WITH OTHER UN MEMBERS, AGAIN CALL UPON][E CHINESE GOVERNMENT TO COMPLY FULLY WITH INTERNATIONAL HUMAN RIGHTS STANDARDS AND WE URGE THE INTERNATIONAL COMMUNITY AS A WHOLE TO CONTINUE DEFENDING THE HUMAN RIGHTS OF ALL INDIVIDUALS.

UUU/205 112140Z IMH1107

Department of External Affairs



Ministère des Affaires extérieures

Canada

DATE/DATE July 10/89

SENT FROM
ENVOYE DE:

NAME/NOM: M. Kovanchak

PHONE/TELEPHONE (613) 992-8530

FACSIMILE NO:
NO DE TELECOPIEUR (613) 996-4309

RETURN TO RENOYER AU	BICO	FOR FILING POUR - ETRE
ACC	REF	DATE
FILE	<u>20-1-2-China</u>	

SENT TO
ENVOYE A:

FACSIMILE NUMBER- 237-2125

NAME/NOM: Mr. Tim Stutt

MAILING ADDRESS/
ADRESSE POSTALE: CAUT

REMARKS/REMARQUES: June 30, 1989 News Release
re: Chinese Students in Canada

TOTAL NUMBER OF PAGES TRANSMITTED 3
(INCLUDING THIS PAGE)
NOMBRE TOTAL DE PAGES TRANSMISES
(Y COMPRIS CETTE PAGE)



news release

Date

June 30, 1989.

No. 160

For release

A \$1.5 MILLION ASSISTANCE PROGRAM AND INFO HOT-LINE FOR CHINESE STUDENTS IN CANADA

OTTAWA--The Secretary of State for External Affairs, the Right Honourable Joe Clark and External Relations and International Development Minister, the Honourable Monique Landry, today announced a series of measures to assist Chinese students in Canada.

They said that the Federal Government, through the Canadian International Development Agency (CIDA), will make up to \$1.5 million available to launch a national initiative to assist Chinese students in Canada. Up to \$1 million of these funds will be used to establish a National Coordination Office managed by the Canadian Bureau of International Education (CBIE) in partnership with the Chinese Canadian National Council (CCNC). It will provide Chinese students with information, counselling and referral services as well as emergency financial assistance.

"These services will be given in the strictest confidentiality, to ensure the security of the students who need assistance," Joe Clark stressed.

CBIE and CCNC will work together to mobilize resources across Canada, drawing on the support from their respective networks and reaching out to communities, institutions, provincial governments, non-governmental organizations, and business.

Mrs. Landry said that CIDA will provide \$300,000 to an emergency fund to be administered by the National Coordination Office. "I hope Canadians across the country will also respond generously to help Chinese students meet their needs".

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CIDA will allocate \$200,000 for an automatic blanket extension for three months to pay tuition fees and living expenses of CIDA-sponsored Chinese students in Canada whose training was to end during the summer months.

"The Federal Government has acted with leadership and generosity in response to the urgent needs of the Chinese students in Canada," Mr. Clark said.

The Canadian Bureau of International Education is a national organization, whose objectives are to assist foreign students in Canada, provide them with information and give them emergency financial support. It draws on a network of 150 centres in universities and colleges across Canada.

The Chinese Canadian National Council is an association with a network of 27 chapters across Canada. It promotes understanding and cooperation between Chinese Canadians and all other ethnic, cultural and racial groups in Canada.

A toll-free line (1-800-267-1299) has been installed to allow students to get more information, 24 hours a day, as of now.

The Honourable Barbara McDougall, Minister of Employment and Immigration, has already announced a number of immigration measures in response to the precarious situation that has developed for Chinese nationals, especially students, currently in Canada. All removals to China have been indefinitely suspended. Chinese citizens have several options to choose from and the time to consider the option which best meets their circumstances. They can request a one year extension of their visas or they can apply to stay permanently as immigrants or as refugees.

For further information, contact:

Andrée Corriveau
Press Secretary
Minister Landry's Office
Hull (819) 994-6161

Media Relations Office
External Affairs and
International Trade Canada
Ottawa (613) 995-1874

P R O T E C T E D

FM LDN XNCS1306 06JUL89

TO EXTOTT JISA PNR ISEO

INFO PEKING

REF JISA TEL JIS3816 30JUN89

---CASUAL VISITORS AND BUSINESSMEN TO CHINA

WE ARE BEGINNING TO RECEIVE TELEPHONE CALLS FROM CANADIANS
WISHING TO KNOW WHETHER IT IS NOW QUOTE SAFE UNQUOTE TO
INCLUDE CHINA IN THEIR TRAVEL PLANS.

2.GRATEFUL IF YOU WOULD PROVIDE US WITH APPROPRIATE ADVICE
TO PROSPECTIVE CANADIAN VISITORS AND BUSINESSMEN.

CCC/038 061204Z XNCS1306

**ACTION
SUITE A DONNER**

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BAG SHNGI DE PEK

DISTR USS PGB PND PNC PGP BKR JIS MINP BCM

---CDN PROFESSOR SWEEP INTO CHINESE PROPAGANDA EFFORT

AS PART OF PROPAGANDA EFFORT TO CONFER RESPECTABILITY ON P ESENT
REGIME, VISITS BY FOREIGNERS ARE BEING DRAGGED INTO WELL PUBLICIZED
HIGH LEVEL MTGS WITH CHINAS LEADERS. LATEST PROPAGANDA COUP WAS
MTG OF PRES YANG SHANGKUN WITH SIMON FRASER POLITICAL SCIENCE
PROF GUO HUANGUI (THIS IS PINYIN TRANSCRIPTION; ASSUMING PERSON IS
OF CHINESE ANCESTRY, NAME IN CANTONESE COULD BE KUO WEN-KAI).
NEWS OF MTG ON 03JUL FIGURED PROMINENTLY ON FRONT PAGE OF 04JUL
PEOPLES DAILY.

2. ACCORDING TO ARTICLE, PRES YANG SHANGKUN EXPLAINED CIRCUMSTANCES
SURROUNDING QUOTE STOPPING TURMOIL AND QUELLING COUNTER
REVOLUTIONARY REBELLION UNQUOTE. HE SAID THAT CONDITIONS IN CHINA
WERE STABLE. HOWEVER, HE EXPRESSED CONCERN ABOUT CHINESE STUDENTS
OVERSEAS AND HOPED THAT WHEN PROF GUO RETURNED TO CDA HE WOULD
TELL THESE STUDENTS AND HIS FRIENDS THE REAL SITUATION THAT HE HAD
SEN FOR HIMSELF. PROF GUO WAS NOT/NOT QUOTED. WE DO NOT/NOT KNOW
CIRCUMSTANCES OF HIS VISIT TO CHINA.

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20-1-2-CHINA				

PAGE TWO WJGR5651 CONF D

3. INCIDENT. HOWEVER, IS ONE OF SEVERAL THAT HAVE OCCURRED IN LAST FEW DAYS. HEAD OF DAIWA SECURITIES ECONOMIC RESEARCH UNIT, DESPITE WARNINGS FROM JPNS MFA, MET WITH LI PENG ON 03JUL AND ON 01JUL LI MET CHINESE-AMERICAN FORMER MAYOR OF CERRITOS CITY, DANIEL WONG. SPEAKING TO AMERICAN REPORTERS LATER, WONG QUOTED LI AS SAYING THAT ARMY'S USE OF GUNS AND TANKS WAS NECESSARY BECAUSE OF A SHORTAGE OF TEAR GAS (A LUDICROUS EXCUSE GIVEN TIME AUTHORITIES HAD TO PREPARE FOR ARMY ACTION). BOTH MTGS RECEIVED FIRST PAGE TREATMENT AND PROVIDED PLATFORM TO DEMONSTRATE THAT FOREIGNERS CONTINUE TO HAVE HIGH LEVEL CONTACTS WITH CHINESE LEADERSHIP.

4. ALTHOUGH IT IS IMPOSSIBLE TO MONITOR ALL CDN VISITORS TO CHINA, IT WOULD BE USEFUL WHENEVER PRACTICAL TO WARN CDNS INTENDING TO VISIT CHINA OF PROPAGANDA PITFALLS THAT CAN BEFALL THEM. 

CCC/059 052348Z WJGR5651

Clark will not halt China's propaganda

BY PAUL KORING
The Globe and Mail

OTTAWA

External Affairs Minister Joe Clark considered pulling the plug on Radio Beijing's propaganda broadcasts from Radio Canada International's short-wave transmitter in New Brunswick but opted not to for fear of Chinese retaliation, a spokesman said yesterday.

Christian Sarrazin said there was "a possibility of retaliatory action in jamming" Radio Canada International's broadcasts from Japan aimed at China. "That's what we wanted to avoid," he said.

"We did not want to take action that could jeopardize our ability to broadcast to China," Mr. Sarrazin said. He confirmed that Mr. Clark had considered ordering RCI to break its three-month agreement to swap transmitter time with Radio Beijing.

"We realize what Radio Beijing is doing . . . but the propaganda won't take hold in Canada," Mr. Sarrazin said. "It was our view that it (the agreement giving Radio Beijing two hours a day of transmitter time) should not be interrupted."

Opposition MPs dismissed the government's logic.

Liberal MP Lloyd Axworthy said that "it contradicts the very principles that Mr. Clark laid out last week" when he announced a package of measures aimed at underscoring Canadian disapproval of the massacre in Tiananmen Square in June which smashed a fledgling reform movement.

Mr. Clark said he would not

countenance anything that allowed China to promote itself, Mr. Axworthy said, "yet they are acting as a rebroadcast agent for China."

He accused the government of "tippy-toeing around for the sake of not interrupting economic relations with China."

NDP MP Howard McCurdy said Mr. Clark was being over-sensitive to Chinese government feelings because of economic ties.

Radio Beijing's use of RCI's transmitter in Sackville, N.B., has "aspects of the bizarre . . . but the government is not too anxious to apply any kind of sanction that might be conspicuous," Mr. McCurdy said.

Mr. Sarrazin acknowledged that there was "no written policy" regarding which types of government's and government-owned radio stations RCI could make exchange agreement with.

The three-year deal with Radio Beijing was RCI's first with a government-controlled broadcaster in a non-democratic country.

Mr. Sarrazin said that, although "no ministerial blessing" is required for such agreement, External Affairs officials had been involved in the negotiations with Radio Beijing.

RCI's agreement with Radio Beijing gives the CBC's international short-wave service transmitter time for its services in English to the Indian sub-continent and in Japanese to Japan. In turn, Radio Beijing is broadcasting from Sackville in English to the United States and in Spanish to Latin America.

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ACC	REF	DATE
FILE	DOSSIER	
20-1-2-CHINA		



External Affairs
Canada

Affaires extérieures
Canada

H.F.A.Y
MESSAGE

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FM/DE FM EXTOTT PNR-1898

TO/À TO JEAN BERARD/DOMINIQUE BONIFACIO/MINISTERE DES AFFAIRES
INTERNATIONALES/MONTREAL, QUEBEC/FAX (514) 873-4200

INFO - STATEMENT BY SECRETARY OF STATE OF EXTERNAL AFFAIRS ON CHINA

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GORDON HOULDEN SIG	PNR	996-0980	<i>Howard Balloch</i> HOWARD BALLOCH SIG

000938



communiqué

Date Le 30 juin 1989
Pour publication

N^o 160

UN PROGRAMME D'ASSISTANCE DE \$1.5 MILLION ET UNE LIGNE TELEPHONIQUE SPECIALE POUR LES ETUDIANTS CHINOIS AU CANADA

OTTAWA--Le secrétaire d'Etat aux Affaires extérieures, le très honorable Joe Clark et la ministre des Relations extérieures et du Développement international, l'honorable Monique Landry, ont annoncé aujourd'hui les mesures pour venir en aide aux étudiants chinois au Canada.

Ils ont indiqué que le gouvernement fédéral, par le biais de l'Agence canadienne de développement international (ACDI), va allouer jusqu'à \$1,5 million pour lancer une initiative nationale à l'intention des étudiants chinois au Canada. De ces fonds, on affectera jusqu'à \$1 million pour l'établissement d'un Bureau de coordination nationale qui sera sous la direction du Bureau canadien d'éducation internationale (BCEI), lequel travaillera conjointement avec le Conseil national des Canadiens chinois (CNCC). Ce bureau fournira aux étudiants chinois des renseignements, des conseils et des services de référence ainsi qu'une assistance financière d'urgence.

«Ces services seront donnés dans la plus stricte confidentialité pour assurer la sécurité des étudiants qui ont besoin d'aide,» a précisé Joe Clark.

Le BCEI et le CNCC travailleront de concert pour mobiliser des ressources dans tout le Canada et par l'intermédiaire de leurs réseaux respectifs, ils s'efforceront d'informer et de sensibiliser les communautés, institutions, gouvernements provinciaux, organisations non gouvernementales et le monde des affaires.

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Mme Landry a indiqué que l'ACDI allait verser \$300 000 dans un fonds d'urgence qui sera administré par le Bureau de coordination nationale. «J'espère que les Canadiens dans tout le pays vont aussi contribuer généreusement pour aider les étudiants chinois à faire face à leurs besoins.»

L'ACDI a prévu \$200 000 pour que les allocations couvrant les frais d'études et de subsistance des étudiants chinois parrainés par l'ACDI et dont les stages devaient se terminer au cours de l'été soient automatiquement prolongées de trois mois.

«Le gouvernement fédéral a agi avec leadership et générosité en réponse aux besoins urgents des étudiants chinois au Canada,» a dit M. Clark.

Le Bureau canadien d'éducation internationale est une organisation nationale dont les objectifs consistent à aider les étudiants étrangers au Canada, à les renseigner et à leur donner un appui financier d'urgence. Il dispose d'un réseau de 150 centres dans les universités et collèges à travers le pays.

Le Conseil national des Canadiens chinois est une association regroupant 27 chapitres répartis partout au Canada. Son but est de promouvoir la compréhension et la coopération entre les Canadiens chinois et tous les autres groupes ethniques, culturels et raciaux au Canada.

Une ligne sans frais (1-800-267-1299) a été installée pour permettre aux étudiants d'obtenir plus de renseignements 24 heures par jour dès aujourd'hui.

L'honorable Barbara McDougall, ministre de l'Emploi et de l'Immigration, a déjà annoncé que des mesures seraient prises pour répondre à la situation précaire dans laquelle se trouvent les Chinois, en particulier les étudiants, présentement au Canada. Tous les renvois de personnes en Chine ont été suspendus pour une période indéfinie. Les citoyens chinois se trouvent devant plusieurs possibilités et on leur donne le temps de choisir la solution qui répond le mieux à leurs besoins. Ils peuvent demander une prolongation d'un an de leur visa ou l'autorisation de demeurer de façon permanente comme immigrants ou réfugiés.

Pour plus de renseignements, veuillez contacter:

Andrée Corriveau
Attachée de presse
Cabinet de la Ministre Landry
Hull (819) 994-6161

Service des relations
avec les médias,
Affaires extérieures et
Commerce extérieur Canada
Ottawa (613) 995-1874

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Statement

Discours

Department of
External
Affairs



Ministère des
Affaires
extérieures

89/32

SOUS RESERVE DE MODIFICATIONS

"L'AVENIR DES RELATIONS SINO-CANADIENNES"

DECLARATION PAR LE

SECRETAIRE D'ETAT AUX AFFAIRES EXTERIEURES

LE TRES HONORABLE JOE CLARK

OTTAWA

Le 30 juin 1989

Secretary of State
for
External Affairs

Secrétaire d'État
aux
Affaires extérieures

Canada

000941

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Les quelques dernières semaines ont été tumultueuses pour la Chine et ont provoqué la consternation chez les nombreux Canadiens qui s'intéressent à ce pays et aux relations entre les deux peuples.

Vous connaissez tous la réaction du gouvernement à la brutalité des événements du 4 juin et à la campagne subséquente de répression menée par le régime de Beijing. Le 5 juin, j'ai annoncé à la Chambre des Communes un ensemble de mesures face à ces événements. Depuis, d'autres mesures ponctuelles sont venues s'ajouter.

Je voudrais aujourd'hui annoncer plusieurs changements en réaction à la situation nouvelle en Chine.

Nos relations avec la Chine ont des répercussions sur de nombreux Canadiens et ce, dans toutes les couches de la société. Certains sont rattachés à ce pays par le passé et par la langue. Par ailleurs, des universitaires, des professionnels et d'autres personnes ont passé une grande partie de leur vie à étudier la Chine et à établir des liens avec leurs homologues chinois. Ils se sentent solidaires des réussites et des échecs qui accompagnent les efforts de développement de ce pays. De leur côté, les gens d'affaires ont investi beaucoup d'efforts et de ressources - sans compter ceux de leurs employés et de leurs actionnaires - pour établir des relations commerciales avec la Chine. Pour leur part, les agriculteurs canadiens sont devenus les fournisseurs de la Chine qui, constitue aujourd'hui, le marché céréalier le plus important du Canada.

Ce n'est donc pas étonnant que les événements de la place Tiannamen et ceux qui ont suivi aient autant retenu l'attention des Canadiens. Comme pays, nous n'avons rien épargné pour développer nos relations avec la République Populaire de Chine et la population de ce pays qui représente le quart de la population mondiale.

C'est donc précisément en raison de la diversité des intérêts qui nous rattachent à ce pays que le gouvernement a convoqué la semaine dernière une Table ronde nationale réunissant des industriels, des universitaires, des organisations non gouvernementales et des représentants

de la communauté sino-canadienne. À l'issue de cette Table ronde, les opinions étaient virtuellement unanimes quant à l'orientation que nous devrions donner à nos relations avec la Chine au cours des quelques prochains mois et les rares différences exprimées concernaient surtout des questions de tactique et non les grands objectifs ou la stratégie.

- En plus de la tenue d'une Table ronde, nous avons également convoqué une séance spéciale du Comité permanent de la Chambre sur les Affaires extérieures et le Commerce extérieur.

Par ailleurs, le Premier ministre, à Vancouver et moi-même, à Ottawa, avons rencontré des représentants de la communauté canadienne d'origine chinoise. Notre collègue, le ministre de l'Emploi et de l'Immigration, a eu par la suite des entretiens avec des représentants de cette communauté à Toronto.

- De son côté, pendant son séjour à Ottawa, l'ambassadeur Earl Drake a eu des consultations avec des parlementaires, des représentants des provinces, ainsi que des hauts fonctionnaires des ministères et organismes importants qui s'intéressent à nos relations avec la Chine.

- Le Cabinet s'est réuni à plusieurs reprises pour examiner la question, et nous avons étudié soigneusement les suggestions qui nous ont été faites par correspondance ou par l'entremise des observations de la presse.

- Après ce long processus de consultations, que devrions-nous faire maintenant? D'abord, il est évident que nous ne pouvons pas savoir la tournure que vont prendre les événements au cours des prochains mois et l'incertitude où nous sommes ne nous permet pas d'établir de façon définitive les paramètres et les points de repère qui devraient guider nos relations avec la Chine pendant les prochaines années.

- Je veux annoncer aujourd'hui certains changements dans nos relations sino-canadiennes. Il se peut que dans deux ou trois mois la situation soit plus claire; nous prendrons d'autres décisions - peut-être "réactiver" certains aspects de la relation aujourd'hui gelés, peut-être annuler définitivement d'autres éléments maintenant mis en

veilleuse. Je suis convaincu que la Table ronde nationale a été un exercice utile propre à rallier les opinions, et je crois que nous ferions bien d'en tenir une autre à l'automne, lorsque la situation se sera quelque peu éclaircie.

- Dans l'intervalle, nous prenons un certain nombre d'autres mesures pour traduire dans la réalité le changement des relations entre le Canada et la Chine dans le contexte de la nouvelle réalité politique de ce pays.

D'après les recommandations qui ont été formulées pendant la Table ronde nationale, nous établissons notre politique selon quatre paramètres fondamentaux :

- Premièrement, les troubles de la place Tiananmen et la campagne de répression qui a suivi ont changé les relations entre le Canada et la Chine. Les autorités chinoises voudraient que "les affaires suivent leur cours habituel", comme si de rien n'était. Nous ne pouvons accepter.

- Deuxièmement, l'amitié qui unit les deux peuples nous est précieuse - nous ne sommes pas devenus et ne deviendrons pas "anti-chinois".

- Troisièmement, nous devons tenter d'éviter les mesures qui pousseraient la Chine vers l'isolement.

- Quatrièmement, nous devons faire des efforts pour adopter, avec les pays qui ont à peu près la même attitude que la nôtre, une approche relativement coordonnée quant aux mesures éventuelles à prendre.

En tenant compte de ces paramètres fondamentaux, nous allons analyser les diverses composantes de nos relations, ainsi que les événements et les propositions qui vont se présenter à nous au cours des prochains mois par rapport à certains critères qui ont été conçus pour décrire la nouvelle réalité en Chine :

- Premièrement, les liens existants établis par le gouvernement, l'industrie et les universités au cours de la dernière décennie devraient être maintenus dans la mesure du possible;

- Deuxièmement, les nouvelles initiatives devraient porter sur des échanges entre personnes;

- Troisièmement, il faudrait éviter les programmes qui profitent ou donnent du prestige aux partisans de la ligne dure au sein du gouvernement chinois, plus particulièrement les militaires ou l'appareil de propagande de l'État.

- Dans ce contexte, l'ensemble des nouvelles mesures que nous adoptons en ce moment modifie la plupart des grandes composantes de nos relations.

- Pour ce qui est de nos relations politiques générales avec la Chine, nous continuerons pour l'instant de différer les contacts de haut niveau avec le gouvernement chinois. Nous continuerons également de poursuivre l'action que nous menons dans le domaine des droits de l'homme auprès de diverses institutions des Nations Unies - notamment auprès de l'ECOSOC et de la Commission de droits de l'homme - et nous augmenterons les ressources consacrées, à notre ambassade à Beijing, au suivi de la situation des droits de l'homme en Chine. D'autres mesures éventuelles seront examinées lors des diverses rencontres qui doivent avoir lieu au cours des prochains mois au niveaux multilatéral et national.

- Il est particulièrement important que nous restions en contact avec nos amis et alliés au cours des semaines et des mois à venir, si nous voulons parvenir à un certain degré d'harmonie au niveau international pour une action efficace. Le Sommet de Paris sera la première grande réunion où nous pourrons examiner collectivement l'orientation à donner à nos relations avec la Chine. Nous espérons que cette rencontre sera une occasion d'évaluer dans quelle mesure nos préoccupations et nos réactions sont ou non similaires. Ceci dit, il est important de ne pas donner aux partisans de la ligne dure en Chine des arguments propres à alimenter leur propagande, c'est-à-dire de ne pas leur donner l'impression que les pays de l'Ouest forment une coalition contre la Chine.

- En ce qui concerne l'aide au développement, nous avons l'intention de nous retirer de trois projets qui, selon nous, ne répondent pas aux nouveaux critères - préserver les relations, favoriser les échanges entre personnes et n'apporter aucun soutien aux militaires et à l'appareil de propagande. - ces projets concernent respectivement une aide pour la formation de vérificateurs d'État, un centre d'huile lubrifiante et la gestion du trafic urbain. En outre, nous garderons en attente quatre des cinq accords dont la signature avait été reportée au lendemain des événements qui se sont produits place Tiananmen. Par contre, nous signerons un projet visant à établir des liens entre des collèges communautaires et des établissements équivalents en Chine. Nous interrompons

aussi, jusqu'à une date indéterminée, les activités ayant trait au projet des Trois Gorges, et insisterons, en ce qui concerne les nouveaux projets, sur les échanges entre personnes ainsi que sur l'accroissement du nombre de jeunes qui viennent faire leurs études au Canada.

- Sur le plan économique, nous procéderons à plusieurs ajustements. Tout d'abord, nous appliquerons dorénavant les nouveaux critères que j'ai mentionnés chaque fois qu'il sera question de financer de nouveaux projets à même une ligne de crédit de la SEE. Nous annulerons un projet de mise en place d'installations de transmission télévisuelle - qui, manifestement, serviraient à appuyer l'appareil de propagande d'État en Chine. Nous examinerons avec d'autres pays la possibilité d'interrompre la rationalisation et la libéralisation des contrôles du COCOM à l'exportation qui s'appliquent à la Chine, et nous arrêterons de financer la participation aux foires commerciales et expositions qui doivent se tenir en RPC d'ici la fin de l'année. Enfin, étant donné l'évolution de la situation et vu que l'on s'attend à une diminution des activités commerciales, nous réduirons notre représentation commerciale à Beijing.

Très peu de changements seront apportés dans le domaine des communications et des échanges culturels. En tant que gouvernement, nous pensons qu'il est particulièrement important en ce moment de maintenir les liens culturels et les contacts entre les personnes. Nous avons reçu beaucoup de demandes au sujet des divers arrangements de jumelage et des liens institutionnels qui existent entre nos provinces, municipalités et organisations non gouvernementales et leurs équivalents en Chine. Nous demandons à tous aujourd'hui de ne pas rompre leurs liens avec leurs contreparties et leurs contacts mais, au contraire, de leur tendre la main afin que les portes ne se referment pas, que les échanges se poursuivent et que les informations continuent de circuler. Plus les Chinois de toutes conditions sociales auront de contacts avec leurs amis - Canadiens et autres - moins les partisans de la ligne dure auront de chances de voir leur propagande aboutir.

- En même temps, nous lançons à la Radio Canada un appel afin qu'elle renonce temporairement à son aide-mémoire sur la radiodiffusion concernant la production commune de programmes de radio et de télévision avec la radio d'État chinoise, étant donné le rôle que joue actuellement cette dernière au niveau de la propagande en Chine.

10/10

Comme vous le savez, Radio-Canada international a avancé de dix mois son programme pour la diffusion en Chine d'émissions en mandarin, qui a débuté la semaine dernière au lieu du mois d'avril prochain. Nous étudierons avec les responsables la possibilité d'accroître la durée et la fréquence des émissions futures. Il ne s'agit pas ici de propagande occidentale, mais seulement de garantir la diffusion de bulletins d'information objectifs, comme cela se fait au Canada. Nous laisserons aux auditeurs chinois le soin de faire eux-mêmes la distinction entre le vrai et le faux.

- Pour ce qui est de l'immigration, nous avons renforcé nos ressources à Beijing et à Shanghai pour essayer de faire face à l'accroissement de la demande. Jusqu'ici, nous avons accordé la priorité aux étudiants, aux familles des étudiants et des autres personnes actuellement au Canada. Nous examinerons d'autres mesures au cours des semaines et des mois à venir.

- Le gouvernement a déjà pris des mesures face à l'incertitude ressentie par les étudiants chinois au Canada par suite du revirement de la situation dans leur pays.

Mes collègues, le ministre de l'Emploi et de l'Immigration et le ministre des Relations extérieures et du développement international et moi même, avons préparé une série de mesures pour venir en aide aux étudiants chinois au Canada, pour veiller à ce qu'ils puissent subvenir à leurs propres besoins pendant leur séjour au Canada, enfin pour voir à leur statut à long terme. Nous avons insisté sur le fait que nous sommes disposés à prolonger d'un an la validité des visas d'étudiants, et nous avons mis en place des mécanismes pour veiller à ce que ceux qui en ont besoin puissent obtenir des permis de travail, et bénéficier de services d'orientation professionnelle et d'une aide financière. Nous n'encourageons pas pour autant les étudiants chinois à prendre hâtivement des décisions. Nous ne faisons sur eux aucune pression afin de les amener à rompre à jamais leurs liens avec la Chine - nous leur disons simplement qu'ils sont les bienvenus durant cette période d'incertitude. Si, enfin de compte, ils choisissent de ne pas retourner en Chine, nous examinerons favorablement chaque cas; nous continuons cependant d'espérer que la situation en Chine évoluera de telle façon à les encourager, à la fin de leurs études universitaires, à retourner en Chine, pénétrés de nos concepts et de nos façons de faire, et profondément attachés à la vérité et à la primauté du droit.

MT - Ms
Linn
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GG

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July 1, 89

CONFIDENTIAL

THE RESPONSE OF CANADA TO EVENTS IN CHINA

ISSUE

20-12-CHINA

Canadian responses to the June violence carried out by the Chinese military were firm and balanced, and undertaken in the context of a broadly coordinated Western. However, recognition of China's international role and the importance of Canadian trade with China have complicated the policy response.

BACKGROUND

Following the violent suppression of student demonstrators in Tiananmen on June 3-4, the SSEA announced, on June 5, initial measures taken by the Canadian Government. Following a review of our bilateral relations with China, which included the "National Round Table," held on June 22, the SSEA announced on June 30, adjustments to Canadian policies. The policies were framed in the context of four basic principles:

- (1) "business as usual" with China cannot be accepted--Tiananmen Square and the subsequent campaign of repression have altered the relationship between Canada and China;
- (2) Canada has not become, and will not become "anti-China"--the friendship between the two peoples will continue to be valued;
- (3) measures that would push China towards isolation are to be avoided;
- (4) the impact of measures to be adopted should be maximized through a relatively coordinated approach of like-minded countries.

Further to the basic principles, relations with China will be framed in the context of three basic guidelines - preserving existing links to the extent possible, focus on people-to-people exchanges, and no support for the military and propaganda apparatus.

In the context of the principles and guidelines, the following measures and adjustments to the bilateral relationship were announced:

- a deferral of high-level contacts;
- continued pursuit of human rights actions in UN agencies.
- withdrawal from three development assistance projects
- suspension of 4 new CIDA agreements;
- indefinite suspension of activity associated with the Three Gorges project;

- new emphasis on people-to-people contacts and on an the maintenance of the flow of students to Canada;
- application of guidelines for new projects considered for support under the EDC line-of-credit;
- cancellation of a project for a television transmission facility;
- re-examination of planned streamlining and liberalization of COCOM export controls as they apply to China;
- suspension of government funding for participation in PRC-hosted trade shows and exhibitions for the remainder of 1989;
- suspension of CBC's Broadcasting Aide Memoire on joint production for radio and television programming with Chinese state radio.

Additional measures taken have included:

- coordinated efforts to assist Chinese students in Canada.
- On June 16, Minister McDougall announced accelerated immigration procedures to assist those Chinese citizens who were in Canada at the time of the crisis in China, as well as to assist Chinese citizens in China who have a connection with Canada.
- Ambassador Drake was recalled from China June 18 for consultations.
- On June 20, Radio Canada International began broadcasting into China in Mandarin (10 months ahead of schedule).

Since the June 30 statement of principles and guidelines, there has been domestic controversy regarding two loans by the Export Development Corporation to the PRC, one in support of exports of telecommunications equipment (\$100m), the other for a hydroelectric project (\$100m). The two loans supported commercial contracts which were signed well before June 4, 1989. Both loans were reviewed and met the June 30 criteria.

TALKING POINTS

- We shall continue to monitor developments in China and to review the bilateral relationship as appropriate.

- Further sanctions at this time, such as the cancellation of cultural or academic exchanges or steps to further reduce or eliminate our bilateral programs of trade or development assistance could well be counterproductive.

- We must not lose sight of the dramatic achievements in China over the last decade under its "open door" policy. We do not wish either to drive China back into isolationism or to contribute to a reversal of its modernization drive.



External Affairs
Canada

Affaires extérieures
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compliments to the typist!

MESSAGE

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PRESERVED BUT THAT UNDER CURRENT CIRCUMSTANCES IT CLD NOT BE QUOTE
BUSINESS AS USUAL UNQUOTE.WE HOPED DEVELOPMENTS IN CHINA WLD ALLOW
A RETURN TO NORMAL RELATIONS AT EARLY TIME.

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PAGE 2 PNR1902 CONFD

2. FOR HKONG: RE YOUR REQUEST FOR SUMMARY OF MEASURES FOR USE WITH MEDIA, STATEMENT WAS PROVIDED FOR INFO OF HOST GOVT AND FOR RESPONSIVE USE WITH MEDIA. WE DO NOT WISH TO SEEK HIGH PROFILE IN INTERNATIONAL MEDIA, WHICH CLD BE CONSTRUED AS LEADING CAMPAIGN AGAINST CHINA.

3. FOR PARIS: FRENCH TEXT SEPARATELY BY FAX.

4. SSEA STATEMENT AS DELIVERED QUOTE THESE PAST FEW WEEKS HAVE BEEN TUMULTUOUS ONES IN CHINA AND A GREAT SHOCK TO THE MANY CANADIANS WHO HAVE AN INTEREST IN CHINA AND IN THE RELATIONSHIP BETWEEN OUR TWO PEOPLES.

- YOU ARE AWARE OF THE GOVERNMENT'S REACTION THE BRUTALITY OF JUNE 4 AND TO THE SUBSEQUENT CAMPAIGN OF REPRESSION UNLEASHED BY THE REGIME IN BEIJING. I ANNOUNCED IN THE HOUSE OF COMMONS ON JUNE 5 A SERIES OF MEASURES THAT CONSTITUTED AN INITIAL RESPONSE TO THOSE EVENTS, AND WE HAVE SUBSEQUENTLY TAKEN A NUMBER OF OTHER INDIVIDUAL STEPS.

- TODAY I AM ANNOUNCING SEVERAL ADJUSTMENTS TO CANADIAN POLICIES IN LIGHT OF THE CHANGED CIRCUMSTANCES CREATED BY THE EVENTS IN CHINA.

- CANADIANS FROM MANY WALKS OF LIFE HAVE A STAKE IN OUR RELATIONSHIP WITH CHINA. SOME CANADIANS HAVE TIES OF HERITAGE AND LANGUAGE. ACADEMICS, PROFESSIONALS AND OTHERS HAVE SPENT ENORMOUS

...13

PAGE 3 PNR1902 CONFID

PROPORTIONS OF THEIR LIVES LEARNING ABOUT CHINA, AND SHARING THE TRIUMPH AND THE TEARS OF CHINA'S GROWING PAINS. BUSINESS PEOPLE HAVE INVESTED SUBSTANTIAL EFFORT AND RESOURCES - OF THEIR OWN, OF THEIR EMPLOYEES AND OF THEIR STOCKHOLDERS - IN BUILDING BUSINESS RELATIONS WITH CHINA. OUR FARMERS HAVE TURNED THEIR LAND INTO A BREADBASKET FOR CHINA, AND TODAY THE CHINA TRADE REPRESENTS CANADA'S LARGEST GRAIN MARKET.

- SO IT IS NOT SURPRISING THAT THERE HAS BEEN SUCH EXTRAORDINARY ATTENTION PAID BY CANADIANS TO TIANANMEN SQUARE AND ITS AFTERMATH. AS A COUNTRY WE HAVE A GREAT DEAL INVESTED IN OUR RELATIONSHIP WITH THE PEOPLE'S REPUBLIC AND THE ONE QUARTER OF THE WORLD'S POPULATION THAT LIVES THERE.

- IT IS PRECISELY BECAUSE OF THIS DIVERSITY OF LEGITIMATE INTERESTS THAT THE GOVERNMENT CONVENED LAST WEEK'S "NATIONAL ROUND TABLE", WHICH BROUGHT TOGETHER INDUSTRIALISTS, ACADEMICS, NON-GOVERNMENTAL ORGANIZATIONS AND REPRESENTATIVES OF THE CHINESE CANADIAN COMMUNITY. THAT ROUND TABLE PRODUCED A VIRTUAL CONSENSUS ON WHERE WE SHOULD BE GOING IN OUR RELATIONSHIP WITH CHINA OVER THE NEXT FEW MONTHS, AND THE FEW VOICES DISSENTING FROM THAT CONSENSUS ARGUED ON POINTS OF TACTICS, NOT ON BROAD OBJECTIVES OR STRATEGY.

- IN ADDITION TO THE NATIONAL ROUND TABLE WE HAVE HAD A SPECIAL

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PAGE 4 PNR1902 CONFID

SESSION ON CHINA IN THE HOUSE STANDING COMMITTEE ON EXTERNAL AFFAIRS AND INTERNATIONAL TRADE.

- BOTH THE PRIME MINISTER AND I HAVE MET WITH REPRESENTATIVES OF THE CHINESE CANADIAN COMMUNITY, MR. MULRONEY IN VANCOUVER AND I HERE IN OTTAWA. OUR COLLEAGUE, THE MINISTER OF EMPLOYMENT AND IMMIGRATION, SUBSEQUENTLY MET WITH REPRESENTATIVES OF THAT COMMUNITY IN TORONTO.

- DURING HIS TIME IN OTTAWA, AMBASSADOR EARL DRAKE CONSULTED WITH PARLIAMENTARIANS, WITH REPRESENTATIVES OF THE PROVINCES, AND WITH SENIOR OFFICIALS FROM MAJOR DEPARTMENTS AND AGENCIES HAVING INTERESTS IN OUR RELATIONSHIP WITH CHINA.

- WE HAVE HAD A NUMBER OF CABINET MEETINGS ON THE QUESTION AND WE HAVE LISTENED CAREFULLY TO SUGGESTIONS MADE TO US THROUGH LETTERS AND MEDIA COMMENTARY.

- AS A RESULT OF THIS EXTENSIVE CONSULTATIVE PROCESS, WHERE DO WE GO FROM HERE? FIRST OF ALL, I THINK IT IS CLEAR THAT WE CANNOT NOW DETERMINE HOW EVENTS ARE GOING TO UNFOLD IN THE MONTHS AHEAD WITH THE KIND OF PRECISION THAT WOULD ALLOW US TO SET IN STONE THE PARAMETERS AND MILEPOSTS THAT SHOULD GOVERN OUR RELATIONS WITH CHINA OVER THE NEXT SEVERAL YEARS. AT THE SAME TIME, I THINK WE CAN START TO RESPOND TO THE CHANGED CIRCUMSTANCES IN WHICH THAT RELATIONSHIP WILL BE PURSUED AND BEGIN MOVING THE

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PAGE 5 PNR1902 CONFID

RELATIONSHIP ONTO A NEW FOOTING.

- SOMETIME IN TWO OR THREE MONTHS THE OUTLOOK MAY BE CLEARER AND WE WILL MAKE FURTHER ADJUSTMENTS - PERHAPS BY "THAWING" CERTAIN PARTS OF THE RELATIONSHIP WE HAVE FROZEN, PERHAPS BY CANCELLING SOME OTHER ELEMENTS WE ARE NOW TREATING AS SUSPENDED. I DO THINK THE NATIONAL ROUND TABLE WAS A USEFUL, CONSENSUS-BUILDING EXERCISE, AND WE MAY WELL HOLD ANOTHER ONE SOMETIME IN THE AUTUMN WHEN THE WAY AHEAD IS A LITTLE CLEARER.

- IN THE MEANTIME, WE ARE NOW TAKING A NUMBER OF FURTHER STEPS TO GIVE EFFECT TO THE CHANGES IN THE CANADA-CHINA RELATIONSHIP IN THE CONTEXT OF THE NEW POLITICAL REALITY IN CHINA.

- ON THE BASIS OF THE RECOMMENDATIONS WE HEARD DURING THE NATIONAL ROUND TABLE, WE ARE FRAMING OUR POLICY IN THE CONTEXT OF FOUR BASIC PARAMETERS:

- FIRST, TIANANMEN SQUARE AND THE SUBSEQUENT CAMPAIGN OF REPRESSION HAVE CHANGED THE RELATIONSHIP BETWEEN CANADA AND CHINA. THE CHINESE AUTHORITIES HAVE CALLED FOR "BUSINESS AS USUAL"; THIS CANNOT BE ACCEPTED.

- SECOND, WE VALUE THE FRIENDSHIP BETWEEN OUR TWO PEOPLES - WE HAVE NOT BECOME, AND WILL NOT BECOME, "ANTI-CHINA";

- THIRD, WE MUST TRY TO AVOID MEASURES THAT WOULD PUSH CHINA TOWARDS ISOLATION; AND

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PAGE 6 PNR1902 CONFID

- FOURTH, WE SHOULD TRY TO MAXIMIZE THE IMPACT OF WHATEVER MEASURES WE ADOPT VIA A RELATIVELY COORDINATED APPROACH OF LIKE-MINDED COUNTRIES.
- WITH THESE BASIC PARAMETERS IN MIND, WE WILL BE ANALYZING VARIOUS PARTS OF OUR RELATIONSHIP, AND EVENTS AND PROPOSALS THAT COME BEFORE US IN THE MONTHS TO COME, AGAINST CERTAIN CRITERIA THAT HAVE BEEN DESIGNED TO REFLECT THE NEW REALITY IN CHINA:
 - FIRST, THE EXISTING LINKS FORGED BY GOVERNMENT, INDUSTRY AND ACADEMICS OVER THE PAST DECADE SHOULD BE PRESERVED TO THE EXTENT POSSIBLE;
 - SECOND, NEW INITIATIVES IN THE RELATIONSHIP SHOULD FOCUS ON PEOPLE-TO-PEOPLE EXCHANGES; AND
 - THIRD, PROGRAMS WHICH BENEFIT OR LEND PRESTIGE TO THE CURRENT HARDLINE POLICIES OF THE CHINESE GOVERNMENT, MOST PARTICULARLY THE MILITARY OR STATE PROPAGANDA APPARATUS, SHOULD BE AVOIDED.
- AGAINST THESE BASIC GROUNDRULES, THE SERIES OF FURTHER MEASURES WE ARE ADOPTING AT THIS TIME CONTAIN ADJUSTMENTS TO MOST OF THE BROAD CONSTITUENT PARTS OF OUR RELATIONSHIP.
- AT THE LEVEL OF OUR OVERALL POLITICAL RELATIONSHIP WITH CHINA, WE WILL CONTINUE FOR THE TIME BEING TO DEFER HIGH-LEVEL CONTACTS WITH THE CHINESE GOVERNMENT. WE WILL ALSO CONTINUE TO PURSUE HUMAN RIGHTS ACTIONS IN UN AGENCIES - PARTICULARLY THE ECOSOC AND

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PAGE 7 PNR1902 CONFID

THE COMMISSION ON HUMAN RIGHTS, AND WE WILL ENHANCE THE HUMAN RIGHTS MONITORING CAPACITY OF OUR EMBASSY IN BEIJING. OTHER POSSIBLE MEASURES WILL BE DISCUSSED AT VARIOUS INTERNATIONAL AND MULTILATERAL EVENTS IN THE MONTHS TO COME.

- THE BENEFITS OF A CERTAIN AMOUNT OF INTERNATIONAL UNISON MAKES IT PARTICULARLY IMPORTANT TO STAY IN TOUCH WITH OUR FRIENDS AND ALLIES IN THE WEEKS AND MONTHS TO COME. THE PARIS SUMMIT WILL BE THE FIRST MAJOR MEETING THAT WILL PERMIT US TO TALK COLLECTIVELY ABOUT HOW TO MANAGE OUR CHINA RELATIONSHIPS, AND WE EXPECT THAT MEETING WILL PROVIDE THE OPPORTUNITY TO CONSIDER THE EXTENT TO WHICH OUR CONCERNS AND RESPONSES ARE SIMILAR. THIS BEING SAID, IT WILL REMAIN IMPORTANT NOT TO HELP THE HARDLINERS' PROPAGANDA IN CHINA SET UP A STRAW MAN OF A WESTERN COALITION GANGING UP ON CHINA.

- ON THE DEVELOPMENT ASSISTANCE FRONT, WE INTEND TO WITHDRAW FROM THREE PROJECTS WHICH WE BELIEVE FAIL THE TEST OF THE NEW CRITERIA - PRESERVING LINKS, PEOPLE-TO-PEOPLE EXCHANGES, AND NO SUPPORT FOR THE MILITARY AND PROPAGANDA APPARATUS. THE THREE PROJECTS INVOLVE SUPPORT FOR STATE AUDITOR TRAINING, A LUBE OIL CENTRE, AND URBAN TRAFFIC MANAGEMENT. IN ADDITION WE WILL KEEP ON HOLD FOUR OF THE FIVE AGREEMENTS FOR WHICH THE SIGNINGS WERE POSTPONED IN THE IMMEDIATE AFTERMATH OF THE TIANANMEN INCIDENT. WE WILL, HOWEVER,

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PAGE 8 PNR1902 CONFID

PROCEED TO SIGN A PROJECT LINKING COMMUNITY COLLEGES WITH THEIR CHINESE COUNTERPARTS. WE WILL ALSO BE SUSPENDING INDEFINITELY ACTIVITY ASSOCIATED WITH THE THREE GORGES PROJECT, AND BE PLACING NEW EMPHASIS ON PEOPLE-TO-PEOPLE EXCHANGES, AND ON AN INCREASED FLOW OF STUDENTS TO CANADA.

- ON THE ECONOMIC FRONT, WE WILL BE PROCEEDING WITH A NUMBER OF ADJUSTMENTS. FIRST, WE WILL HENCEFORTH BE APPLYING THE CRITERIA I OUTLINED WHEN NEW PROJECTS ARE CONSIDERED FOR SUPPORT UNDER THE EDC LINE-OF-CREDIT. WE WILL BE CANCELLING ONE PROJECT - A TELEVISION TRANSMISSION FACILITY - WHICH IS CLEARLY SUPPORTIVE OF CHINA'S STATE PROPAGANDA APPARATUS. ALONG WITH OTHER COUNTRIES, WE WILL BE EXAMINING THE POSSIBILITY OF SUSPENDING FURTHER STREAMLINING AND LIBERALIZATION OF THE COCOM EXPORT CONTROLS AS THEY APPLY TO CHINA, AND WE WILL BE SUSPENDING GOVERNMENT FUNDING FOR PARTICIPATION IN PRC-HOSTED TRADE SHOWS AND EXHIBITIONS FOR THE REMAINDER OF THE YEAR. FINALLY, WE WILL BE DOWNGRADING CANADA'S TRADE REPRESENTATION IN BEIJING IN RESPONSE TO THE CHANGED CIRCUMSTANCES AND IN ANTICIPATION OF AN EXPECTED DOWNTURN IN TRADE ACTIVITY.

- IN THE AREA OF COMMUNICATIONS AND CULTURAL EXCHANGES, WE WILL BE MAKING VERY FEW ADJUSTMENTS. AS A GOVERNMENT WE FEEL IT IS PARTICULARLY IMPORTANT TO SUSTAIN CULTURAL AND PEOPLE-TO-PEOPLE

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PAGE 9 PNR1902 CONFID

LINKS AT THIS TIME. WE HAVE HAD MANY REQUESTS ABOUT THE VARIOUS TWINNING ARRANGEMENTS AND INSTITUTIONAL LINKAGES THAT EXIST BETWEEN OUR PROVINCES, MUNICIPALITIES AND NON-GOVERNMENTAL ORGANIZATIONS AND THEIR CHINESE COUNTERPARTS. WHAT WE ARE SAYING TO THEM TODAY IS NOT TO CUT THEIR TIES BUT TO REACH OUT TO THEIR COUNTERPARTS, TO THEIR CONTACTS WITH THE OBJECTIVE OF KEEPING THE DOORS OPEN, KEEPING THE EXCHANGES OPERATING AND INFORMATION FLOWING. THE MORE CONTACTS PEOPLE FROM ALL WALKS OF LIFE IN CHINA CAN HAVE WITH THEIR CANADIAN AND OTHER FRIENDS, THE LESS LIKELY THE SUCCESS OF THE ONSLAUGHT OF THE HARDLINE PROPAGANDA MACHINE.

- AT THE SAME TIME, WE ARE CALLING ON THE CBC TO SUSPEND THEIR BROADCASTING AIDE MEMOIRE ON JOINT PRODUCTION FOR RADIO AND TELEVISION PROGRAMMING WITH CHINESE STATE RADIO, GIVEN THE LATTER'S CURRENT ROLE IN CHINA'S PROPAGANDA EFFORTS.
- AS YOU KNOW, RADIO CANADA INTERNATIONAL ADVANCED BY TEN MONTHS ITS PROGRAM FOR MANDARIN BROADCASTS INTO CHINA, FROM NEXT APRIL TO LAST WEEK, AND WE WILL BE EXPLORING WITH THEM THE POSSIBILITY OF INCREASING THE LENGTH AND THE FREQUENCY OF FUTURE BROADCASTS. WE ARE NOT TALKING HERE OF WESTERN PROPAGANDA, WE ARE TALKING ABOUT THE KIND OF STRAIGHT NEWS AND INFORMATION BROADCASTS THAT ARE STANDARD CANADIAN FARE. WE LEAVE IT TO CHINESE LISTENERS TO MAKE THEIR OWN JUDGEMENTS ABOUT WHAT IS TRUTH AND WHAT IS NOT.

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PAGE 10 PNR1902 CONFID

- ON THE IMMIGRATION FRONT, WE HAVE ATTEMPTED TO RESPOND TO INCREASED DEMAND BY BEEFING UP OUR PROCESSING CAPACITY IN BEIJING AND SHANGHAI. WE HAVE TO DATE BEEN GIVING PRIORITY TO STUDENTS, AND TO THE FAMILIES OF STUDENTS AND OTHERS HERE IN CANADA, AND WE WILL BE LOOKING AT FURTHER MEASURES AS THE WEEKS AND MONTHS ADVANCE.

- WITH RESPECT TO CHINESE STUDENTS HERE IN CANADA, THE GOVERNMENT HAS ALREADY TAKEN STEPS TO RESPOND TO THE UNCERTAINTY THEY HAVE FELT IN LIGHT OF THE RADICALLY CHANGED ENVIRONMENT IN THEIR HOMELAND.

- I AND MY COLLEAGUES THE MINISTER OF EMPLOYMENT AND IMMIGRATION AND THE MINISTER OF EXTERNAL RELATIONS AND INTERNATIONAL DEVELOPMENT HAVE PREPARED A SERIES OF MEASURES TO DRESS THE SITUATION OF CHINESE STUDENTS HERE IN CANADA, THEIR ABILITY TO SUPPORT THEMSELVES WHILE HERE, AND THEIR LONGER-TERM STATUS. WE HAVE EMPHASIZED THAT WE ARE WILLING TO EXTEND STUDENT VISAS FOR A YEAR AND WE HAVE ESTABLISHED MECHANISMS TO ENSURE THAT WORK PERMITS, JOB COUNSELLING SERVICES, AND FINANCIAL SUPPORT WILL BE IN PLACE FOR THOSE WHO NEED IT. AT THE SAME TIME, WE ARE NOT ENCOURAGING CHINESE STUDENTS HERE TO TAKE HASTY DECISIONS. WE ARE NOT PRESSURING THEM INTO DEFINITELY CUTTING THEIR TIES TO CHINA - WE ARE SIMPLY SAYING THAT YOU ARE WELCOME DURING THIS PERIOD OF

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PAGE 11 PNR1902 CONFID

UNCERTAINTY. IF IN THE END THEY CHOOSE NOT TO RETURN TO CHINA, THEN WE WILL LOOK AT INDIVIDUAL CASES SYMPATHETICALLY, BUT WE CONTINUE TO HOPE THAT THE SITUATION IN CHINA WILL ENCOURAGE THEM TO DECIDE, AT THE END OF THEIR ACADEMIC PROGRAMS, TO RETURN TO CHINA, BRINGING WITH THEM CANADIAN CONCEPTS, CANADIAN WAYS OF DOING THINGS, AND A HEALTHY COMMITMENT TO TRUTH AND THE RULE OF LAW.

- THERE IS SEPARATE PRESS MATERIAL AVAILABLE ON THE PROGRAMS BEING PUT IN PLACE WITH RESPECT TO THE STUDENTS AND SO I DO NOT THINK THERE IS ANY NEED FOR ME TO DELVE INTO THE DETAILS HERE. I MIGHT ADD, HOWEVER, THAT THESE PROGRAMS ARE AN EXCELLENT EXAMPLE OF COOPERATION BETWEEN A VARIETY OF COMMUNITIES HERE IN CANADA, COOPERATION MADE POSSIBLE BY THE CONSULTATIVE PROCESS WE HAVE ADOPTED IN RESPONSE TO THE EVENTS IN CHINA.UNQUOTE.

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Accession/Référence
File/Dossier 20-1-2-CHINA

MESSAGE
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Align first character of Security Classification under this arrow
Alignez le premier caractère de la Sécurité sous cette flèche

SECURITY / SÉCURITÉ: UNCLASSIFIED FACSIMILE TRANSMISSION 30 JUN 89 18 22z 10

FM/DE: FM EXTOTT PNR-1898 30JUN89

TO/À: TO MR. JERRY REDMOND/DEPUTY MINISTER/NOVA SCOTIA CABINET

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DISTR: 5TH FLOOR/HALIFAX, NOVA SCOTIA/B3J 2Y3/FAX (902) 424-7638

REF: MR. PETER KENNEDY/DEPUTY MINISTER/INTERGOVERNMENTAL AFFAIRS

SUBJ/SUJ: SECRETARIAT/CONFEDERATION BUILDING/ST-JOHN'S, NEWFOUNDLAND/
A1C 5T7/FAX (709) 576-5038

MR. CLYDE GRANTER/DEPUTY MINISTER/DEPARTMENT OF DEVELOPMENT AND
TOURISM/4TH FLOOR S, WEST BLOCK/CONFEDERATION BUILDING/ST. JOHN'S,
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MR. DWIGHT NOSEWORTHY/DEPUTY MINISTER/DEPARTMENT OF ECONOMIC
DEVELOPMENT AND TOURISM/P.O. BOX 1320/YELLOWKNIFE, NORTHWEST
TERRITORIES/X1A 2L9/FAX (403) 873-0110

MR. D.P. ODIN/DEPUTY MINISTER/YUKON ECONOMIC DEVELOPMENT:
MINES AND SMALL BUSINESS/211 MAIN STREET, SUITE 400
P.O. BOX 2703/WHITEHORSE, YUKON/Y1A 2C6/FAX (403) 667-2958

- STATEMENT BY SECRETARY OF STATE OF EXTERNAL AFFAIRS ON CHINA
ATTACHED IS STATEMENT ON CHINA TO BE MADE BY RIGHT HONOURABLE JOE
CLARK. ALSO ATTACHED IS PRESS RELEASE REGARDING CHINESE STUDENTS IN
CDA.

2. BOTH STATEMENT AND PRESS RELEASE ARE FOR RELEASE ONLY AT 1100 AM
OTT LOCAL TIME, 30 JUN.

119

DRAFTER/RÉDACTEUR	DIVISION/DIRECTION	TELEPHONE	APPROVED/APPROUVÉ
GORDON HOULDEN SIG	PNR	996-0980	HOWARD BALLOCH SIG

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External Affairs
Canada

Affaires extérieures
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MGTC/DIARY/CIRC/FILE
MGTC/JOURNAL/CIRC/DOSSIER

Accession/Référence

File/Dossier

20-1-2-China

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SECURITY UNCLASSIFIED FACSIMILE TRANSMISSION 30 JUN 89 18 21 Z 12 10
SÉCURITÉ

FM/DE FM EXTOTT PNR-1898 30JUN89 1/9

TO/À TO MS.NANCY HUGHES ANTHONY/ASSISTANT SECRETARY/
INFO INTERGOVERNMENTAL AFFAIRS/SHAW BUILDING/95 ROCHFORD STREET/
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REF

SUBJ/SUJ MR.MICHAEL S.KELLY/DEPUTY MINISTER/DEPARTMENT OF INDUSTRY/
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- STATEMENT BY SECRETARY OF STATE OF EXTERNAL AFFAIRS ON CHINA
ATTACHED IS STATEMENT ON CHINA TO BE MADE BY RIGHT HONOURABLE JOE
CLARK. ALSO ATTACHED IS PRESS RELEASE REGARDING CHINESE STUDENTS IN
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DRAFTER/RÉDACTEUR	DIVISION/DIRECTION	TELEPHONE	APPROVED/APPROUVÉ
GORDON HOULDEN SIG	PNR	996-0980	HOWARD BALLOCH SIG

000966



news release

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Date
For release

June 30, 1989.

No. 160

2/9

A \$1.5 MILLION ASSISTANCE PROGRAM AND INFO HOT-LINE
FOR CHINESE STUDENTS IN CANADA

OTTAWA--The Secretary of State for External Affairs, the Right Honourable Joe Clark and External Relations and International Development Minister, the Honourable Monique Landry, today announced a series of measures to assist Chinese students in Canada.

They said that the Federal Government, through the Canadian International Development Agency (CIDA), will make up to \$1.5 million available to launch a national initiative to assist Chinese students in Canada. Up to \$1 million of these funds will be used to establish a National Coordination Office managed by the Canadian Bureau of International Education (CBIE) in partnership with the Chinese Canadian National Council (CCNC). It will provide Chinese students with information, counselling and referral services as well as emergency financial assistance.

"These services will be given in the strictest confidentiality, to ensure the security of the students who need assistance," Joe Clark stressed.

CBIE and CCNC will work together to mobilize resources across Canada, drawing on the support from their respective networks and reaching out to communities, institutions, provincial governments, non-governmental organizations, and business.

Mrs. Landry said that CIDA will provide \$300,000 to an emergency fund to be administered by the National Coordination Office. "I hope Canadians across the country will also respond generously to help Chinese students meet their needs".

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CIDA will allocate \$200,000 for an automatic blanket extension for three months to pay tuition fees and living expenses of CIDA-sponsored Chinese students in Canada whose training was to end during the summer months.

"The Federal Government has acted with leadership and generosity in response to the urgent needs of the Chinese students in Canada," Mr. Clark said.

3/9

The Canadian Bureau of International Education is a national organization, whose objectives are to assist foreign students in Canada, provide them with information and give them emergency financial support. It draws on a network of 150 centres in universities and colleges across Canada.

The Chinese Canadian National Council is an association with a network of 27 chapters across Canada. It promotes understanding and cooperation between Chinese Canadians and all other ethnic, cultural and racial groups in Canada.

A toll-free line (1-800-267-1299) has been installed to allow students to get more information, 24 hours a day, as of now.

The Honourable Barbara McDougall, Minister of Employment and Immigration, has already announced a number of immigration measures in response to the precarious situation that has developed for Chinese nationals, especially students, currently in Canada. All removals to China have been indefinitely suspended. Chinese citizens have several options to choose from and the time to consider the option which best meets their circumstances. They can request a one year extension of their visas or they can apply to stay permanently as immigrants or as refugees.

For further information, contact:

Andrée Corriveau
Press Secretary
Minister Landry's Office
Hull (819) 994-6161

Media Relations Office
External Affairs and
International Trade Canada
Ottawa (613) 995-1874

Statement

Discours

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CHECK AGAINST DELIVERY

"CHINA AND CANADA: THE MONTHS AHEAD"

STATEMENT BY

THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS,

THE RIGHT HONOURABLE JOE CLARK

OTTAWA

June 30, 1989.

Secretary of State
for
External Affairs

Secrétaire d'État
aux
Affaires extérieures

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Canada

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These past few weeks have been tumultuous ones in China and a great shock to the many Canadians who have an interest in China and in the relationship between our peoples.

You are aware of the Government's reaction to the brutality of June 4 and to the subsequent campaign of repression unleashed by the regime in Beijing. I announced in the House of Commons on June 5 a series of measures that constituted an initial response to those events, and we have subsequently taken a number of other individual steps.

Today I am announcing several adjustments to Canadian policies in light of the changed circumstances created by the events in China.

Canadians from many walks of life have a stake in our relationship with China. Some Canadians have ties of heritage and language. Academics, professionals and others have spent enormous proportions of their lives learning about China, and sharing the triumph and the tears of China's growing pains. Business people have invested substantial effort and resources - of their own, of their employees and of their stockholders - in building business relations with China. Our farmers have turned their land into a breadbasket for China, and today the China trade represents Canada's largest grain market.

So it is not surprising that there has been such extraordinary attention paid by Canadians to Tiananmen Square and its aftermath. As a country we have a great deal invested in our relationship with the People's Republic and the one-quarter of the world's population that lives there.

It is precisely because of this diversity of legitimate interests that the Government convened last week's "National Round Table", which brought together industrialists, academics, non-governmental organizations and representatives of the Chinese Canadian community. That Round Table produced a virtual consensus on where we should be going in our relationship with China over the next few months, and the few voices dissenting from that consensus argued on points of tactics, not on broad objectives or strategy.

In addition to the National Round Table we have had a special session on China in the House Standing Committee on External Affairs and International Trade.

Both the Prime Minister and I have met with representatives of the Chinese Canadian community, Mr. Mulroney in Vancouver and I here in Ottawa. Our colleague, the Minister of Employment and Immigration, subsequently met with representatives of that community in Toronto.

5/9

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During his time in Ottawa, Ambassador Earl Drake consulted with Parliamentarians, with representatives of the provinces, and with senior officials from major departments and agencies having interests in our relationship with China.

We have had a number of Cabinet meetings on the question and we have listened carefully to suggestions made to us through letters and media commentary.

As a result of this extensive consultative process, where do we go from here? First of all, I think it is clear that we cannot now determine how events are going to unfold in the months ahead with the kind of precision that would allow us to set in stone the parameters and mileposts that should govern our relations with China over the next several years. At the same time, I think we can start to respond to the changed circumstances in which that relationship will be pursued and begin moving the relationship onto a new footing.

Therefore I am announcing today certain adjustments in the relation between Canada and China.

Sometime in two or three months the outlook may be clearer and we will make further adjustments - perhaps by "thawing" certain parts of the relationship we have frozen, perhaps by cancelling some other elements we are now treating as suspended. I do think the National Round Table was a useful, consensus-building exercise, and we may well hold another one sometime in the autumn when the way ahead is a little clearer.

In the meantime, we are now taking a number of further steps to give effect to the changes in the Canada-China relationship in the context of the new political reality in China.

On the basis of the recommendations we heard during the National Round Table, we are framing our policy in the context of four basic parameters:

- First Tiananmen Square and the subsequent campaign of repression have changed the relationship between Canada and China. The Chinese authorities have called for "business as usual"; this cannot be accepted.
- Second, we value the friendship between our two peoples - we have not become, and will not become, "anti-China";

7/9

- Third, we must try to avoid measures that would push China towards isolation; and
- Fourth, we should try to maximize the impact of whatever measures we adopt via a relatively coordinated approach of like-minded countries.

With these basic parameters in mind, we will be analyzing various parts of our relationship, and events and proposals that come before us in the months to come, against certain criteria that have been designed to reflect the new reality in China:

- First, the existing links forged by government, industry and academics over the past decade should be preserved to the extent possible;
- Second, new initiatives in the relationship should focus on people-to-people exchanges; and
- Third, programs which benefit or lend prestige to the current hardline policies of the Chinese government, most particularly the military or state propaganda apparatus, should be avoided.

Against these basic groundrules, the series of further measures we are adopting at this time contain adjustments to most of the broad constituent parts of our relationship.

At the level of our overall political relationship with China, we will continue for the time being to defer high-level contacts with the Chinese Government. We will also continue to pursue human rights actions in UN agencies - particularly the ECOSOC and the Commission on Human Rights, and we will enhance the human rights monitoring capacity of our Embassy in Beijing. Other possible measures will be discussed at various international and multilateral events in the months to come.

The benefits of a certain amount of international unison makes it particularly important to stay in touch with our friends and allies in the weeks and months to come. The Paris Summit will be the first major meeting that will permit us to talk collectively about how to manage our China relationships, and we expect that meeting will provide the opportunity to consider the extent to which our concerns and responses are similar. This being said, it will remain important not to help the hardliners' propaganda in China set up a straw man of a western coalition ganging up on China.

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On the development assistance front, we intend to withdraw from three projects which we believe fail the test of the new criteria - preserving links, people-to-people exchanges, and no support for the military and propaganda apparatus. The three projects involve support for state auditor training, a lube oil centre, and urban traffic management. In addition, we will keep on hold four of the five agreements for which the signings were postponed in the immediate aftermath of the Tiananmen incident. We will, however, proceed to sign a project linking community colleges with their Chinese counterparts. We will also be suspending indefinitely activity associated with the Three Gorges project, and be placing new emphasis on people-to-people exchanges, and on an increased flow of students to Canada.

On the economic front, we will be proceeding with a number of adjustments. First, we will henceforth be applying the criteria I outlined when new projects are considered for support under the EDC line-of-credit. We will be cancelling one project - a television transmission facility - which is clearly supportive of China's state propaganda apparatus. Along with other countries, we will be examining the possibility of suspending further streamlining and liberalization of the COCOM export controls as they apply to China, and we will be suspending government funding for participation in PRC-hosted trade shows and exhibitions for the remainder of the year. Finally, we will be downgrading Canada's trade representation in Beijing in response to the changed circumstances and in anticipation of an expected downturn in trade activity.

In the area of communications and cultural exchanges, we will be making very few adjustments. As a government we feel it is particularly important to sustain cultural and people-to-people links at this time. We have had many requests about the various twinning arrangements and institutional linkages that exist between our provinces, municipalities and non-governmental organizations and their Chinese counterparts. What we are saying to them today is not to cut their ties but to reach out to their counterparts, to their contacts with the objective of keeping the doors open, keeping the exchanges operating and information flowing. The more contacts people from all walks of life in China can have with their Canadian and other friends, the less likely the success of the onslaught of the hardline propaganda machine.

At the same time, we are calling on the CBC to suspend their Broadcasting Aide Memoire on joint production for radio and television programming with Chinese state radio, given the latter's current role in China's propaganda efforts.

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As you know, Radio Canada International advanced by ten months its program for Mandarin broadcasts into China, from next April to last week, and we will be exploring with them the possibility of increasing the length and the frequency of future broadcasts. We are not talking here of western propaganda, we are talking about the kind of straight news and information broadcasts that are standard Canadian fare. We leave it to Chinese listeners to make their own judgements about what is truth and what is not.

On the immigration front, we have attempted to respond to increased demand by beefing up our processing capacity in Beijing and Shanghai. We have to date been giving priority to students, and to the families of students and others here in Canada, and we will be looking at further measures as the weeks and months advance.

With respect to Chinese students here in Canada, the Government has already taken steps to respond to the uncertainty they have felt in light of the radically changed environment in their homeland.

I and my colleagues the Minister of Employment and Immigration and the Minister of External Relations and International Development have prepared a series of measures to address the situation of Chinese students here in Canada, their ability to support themselves while here, and their longer-term status. We have emphasized that we are willing to extend student Visas for a year and we have established mechanisms to ensure that work permits, job counselling services, and financial support will be in place for those who need it. At the same time, we are not encouraging Chinese students here to take hasty decisions. We are not pressuring them into definitively cutting their ties to China - we are simply saying that you are welcome during this period of uncertainty. If in the end they choose not to return to China, then we will look at individual cases sympathetically, but we continue to hope that the situation in China will encourage them to decide, at the end of their academic programs, to return to China, bring with them Canadian concepts, Canadian ways of doing things, and a healthy commitment to truth and the rule of law.

There is separate press material available on the programs being put in place with respect to the students and so I do not think there is any need for me to delve into the details here. I might add, however, that these programs are an excellent example of cooperation between a variety of communities here in Canada, cooperation made possible by the consultative process we have adopted in response to the events in China.

RENOYER AU		BICU		POUR - ETRE	
		PORTE AU DOSSIER			
ACC	REF	DATE			
FILE					DOSSIER
20-12-CHINA					

June 30 / 89

- These past few weeks have been tumultuous ones in China and a great shock to the many Canadians who have an interest in China and in the relationship between our two peoples.

- I am sure that you are all aware of the government's reaction to June fourth, to the brutality of the Tiananmen incident and to the subsequent campaign of repression unleashed by the regime in Beijing. I announced in the House of Commons on June 5 a series of measures that constituted an initial response to those events, and we have subsequently taken a number of other steps.

- The various measures that we have taken were aimed at responding to the Tiananmen massacre, to the repression and the executions, to the specifics of the evolving situation in China. What we had not done, and now are doing, is responding with adjustments to Canadian policies in light of the changed circumstances created by the events in China.

- Canadians from many walks of life have a stake in our relationship with China. Some Canadians have ties of heritage and language. Academics, professionals and others have spent enormous proportions of their lives learning about China, developing links with academic or professional counterparts in China, and sharing the triumph and the tears of China's growing pains. Business people have invested substantial effort and resources - of their own, of their employees and of their stockholders - in building business relations with China. Our farmers have turned their land into a breadbasket for China, and today the China trade represents Canada's largest grain market.

- It is thus not surprising that there has been such an extraordinary amount of attention paid by Canadians to the recent events in China. As a country we have a great deal invested in our relationship with the People's Republic.

- It is precisely because of this diversity of legitimate interests that the Government convened last week's "National Round Table", which brought together industrialists, academics, non-governmental organizations and representatives of the Chinese Canadian community. That round table produced a virtual consensus on where we should be going in our relationship with China over the next few months, and the few dissenting voices argued on points of relativity or tactics, not on broad objectives or strategy.

- In addition to the National Round table we have had a special session on China of the House Standing Committee on External Affairs and International Trade.

- Both the Prime Minister and I have met with representatives of the Chinese Canadian community, Mr. Mulroney in Vancouver and I here in Ottawa. Our colleague the Minister of Employment and Immigration subsequently met with representatives of that community in Toronto.

- During his time in Ottawa, Ambassador Earl Drake consulted with Mr. Turner and with the acting leader of the NDP, with representatives of the provinces, and with senior officials from major departments and agencies having interests in our relationship with China.

- We have had a number of Cabinet meetings on the question and we have listened carefully to suggestions made to us through letters and media commentary.

- As a result of this extensive consultative process, where do we go from here? First of all, I think it is clear that we cannot now determine how events are going to unfold in the months ahead with the kind of precision that would allow us to set in stone the parameters and mileposts that should govern our relations with China over the next several years. At the same time, I think we can start to respond to the changed circumstances in which that relationship will be pursued and begin moving the relationship onto a new footing.

- We are looking for a "relationship adjustment", which will represent part of our continuing response to an evolving situation. Sometime in two or three months the outlook may be clearer and we will be able to make further adjustments - perhaps by "thawing" certain parts of the relationship we have frozen, perhaps by cancelling some other elements we are now treating as suspended. I do think the National Round Table was a useful, consensus-building, exercise, and we may well hold another one sometime in the autumn when the way ahead is a little clearer.

- In the meantime, we are now taking a number of further steps to give effect to the changes in the Canada-China relationship in the context of the new political reality in China.

- On the basis of the recommendations we heard during the National Round Table, it is important to put these adjustments in the relationship measures into the context of four basic parameters:

- First Tiananmen Square and the subsequent campaign of repression have changed the relationship between Canada and China. The Chinese authorities have called for "business as usual"; this cannot be accepted.

- Second, we value the friendship between our two peoples - we have not become, and will not become, "anti-China";

- Third, we must try to avoid measures that would push China towards

isolation; and

- Fourth, we should try to maximize the impact of whatever measures we adopt via a relatively coordinated approach of like-minded countries.

- With these basic parameters in mind, we will be analyzing various parts of our relationship, and events and proposals that come before us in the months to come, against certain criteria that have been designed to reflect the new reality in China:

- First, the existing links forged by government, industry and academics over the past decade should be preserved to the extent possible;

- Second, new initiatives in the relationship should focus on people-to-people exchanges; and

- Third, programs which benefit or lend prestige to the current hardline policies of the Chinese government, most particularly the military or state propaganda apparatus, should be avoided.

- Against these basic groundrules, the series of further measures we are adopting at this time contain adjustments to most of the broad constituent parts of our relationship.

- At the level of our overall political relationship with China, we will continue for the time being to defer high-level contacts with the Chinese Government. We will also continue to pursue human rights actions in UN agencies - particularly the ECOSOC and the Commission on Human Rights, and we will enhance the human rights monitoring capacity of our embassy in Beijing. Other possible measures will be discussed at various international and multilateral events in the months to come.

- The benefits of a certain amount of international unison makes it particularly important to stay in touch with our friends and allies in the weeks and months to come. The Paris Summit will be the first major meeting that will permit us to talk collectively about how to manage our China relationships, and we expect that meeting will provide the opportunity to consider the extent to which our concerns and responses are similar. This being said, it will remain important not to provide grist for the hardliners' propaganda mill in China in the form of a western "imperialist" coalition ganging up on China.

- On the development assistance front, we intend to withdraw from three projects which we believe fail the test of the new criteria - preserving links, people-to-people exchanges, and no support for the military and propaganda apparatus. The three projects involve support for state auditor training, a lube oil centre, and urban traffic management. In addition we will keep on hold four of the five agreements for which the signings were postponed in the immediate aftermath of the Tiananmen incident. We will, however, proceed to sign a project linking community colleges with their Chinese counterparts. We will also

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PRESS CONFERENCE, JUNE 30 1989
RESPONSIVE POINTS

RETURN TO RENOYER AU	UNCLASSIFIED	FOR FILING POUR ETRE PORTE AU DOSSIER
ACC 30 89	REF	DATE
FILE	DOSSIER 20-1-2-CHINA	

Q: Response of other countries - is Canada too far ahead?

A: Internationally, it is clear that Canada has been generally out in front of the Western community - not far in front, but we have been leading nonetheless as the only country to recall its ambassador, the first country to condemn the events in Tiananmen Square, the only major power to hold an emergency parliamentary debate on the crisis, and so on.

At present there does not seem to be much variance between what the major western powers have been saying. With us somewhat in the lead, almost all western countries have condemned the massacre, condemned the repression and the executions, and warned that their relations with China will not proceed uninterrupted.

- The Europeans have halted new aid projects and sustained their ban on high-level visits, promised to push the human rights issue, and have instituted an embargo on arms shipments.
- The US administration, particularly conscious of the risks in pushing China towards the Soviet Union, has taken a moderate position and has resisted congressional calls for extensive economic measures. At the same time, the U.S. (which does not have a bilateral aid program in any case) has called for a continued suspension of new lending to China by the international financial institutions - particularly the World bank and the Asia Development Bank - and we have supported them in this.
- The Japanese have publicly stated that they are reluctant to take measures, that they will not impose economic sanctions.

The new measures we intend to announce today do not put us significantly out of step with other countries - in some instances (human rights), others (Europe) have announced steps parallel to those we are instituting. In other instances, we are being slightly more flexible than some of our allies (we are proceeding with one aid project signing, we are not suspending all activity under bilateral technical and economic agreements).

The establishment of basic parameters and guidelines for determining the course of the relationship puts our response on a clearer footing than some, and certainly makes it easier to support politically.

The benefits of a certain amount of Western unison makes it particularly important to stay in touch with our allies in the weeks and months to come. The Paris Summit will be the first major meeting that will permit us to talk collectively about how to manage our China relationships, and we intend to use that meeting to push a relatively coordinated approach.

GENERAL/POLITICAL

Q: Do you expect any quick results from your efforts to pursue the human rights issue in the UN context.

A: No, but I do not think that the speed of the results should downplay the potential significance of gradual pressure. Having the situation in China under the scrutiny of the various UN bodies interested in these questions should help keep alive the forces of moderation and democracy over the medium term, and keep pressure on the Chinese authorities to avoid further repression. It is not a guarantee of success, but it should help.

Q: What do you mean by "enhance the human rights monitoring capacity of the Embassy in Beijing"?

A: We mean ensuring that the Embassy has the necessary resources and the appropriate instructions to focus on human rights abuses, to try to keep in touch with communities being repressed or persecuted, to try to visit those in custody about whom the international community is concerned, to try to attend trials, and so on. We have no illusions that this in and of itself is going to reverse the hardline nature of the current regime; if we and others keep a monitoring eye on developments, we can at least make it more difficult for the current regime to get away internationally without informed criticism of its behaviour.

TRADE/ECONOMIC

Q: Will this package have a significant negative impact on trade?

A: While we cannot accept that the world should continue to do "business as usual" with China, these measures do not constitute an anti-trade or a trade diverting package. We are keeping the aid and EDC programs in place with some appropriate modification, ensuring that new projects are judged against clear and sensible criteria.

The real impact on trade will be the turmoil that China has unleashed upon itself domestically, and the loss of confidence that has passed very quickly throughout the international business and financial communities.

Already China's ambitious plans for economic modernization with the assistance of western good-will, western technology, and joint ventures with western firms have suffered serious setbacks as Chinese prestige and influence have plummeted over the last few weeks.

The measures that we are announcing today are designed to emphasize that, for the government of Canada, it is not and cannot be "business as usual" with China. For that reason we have decided to suspend, review, and in some cases place on a new footing elements of our bilateral economic relationship. At the same time we are keenly aware of the benefits of two-way trade with China, and we are confident that over the longer term Canadian companies will remain reliable and competitive suppliers of goods and services to China.

Q: What about projects currently in EDC's pipeline for China?

A: EDC will honour commitments made to Canadian exporters regarding project financing for China. All new projects for China will be subject to new selection criteria aimed at insuring that Canadian products and technologies benefit the Chinese people and not the military or the propaganda apparatus.

Q: If we continue to offer concessional financing in China, are we not indicating that it is indeed "business as usual"?

A: I have instructed officials to begin applying new criteria for projects to be considered for financing under EDC's China Line of Credit. As I noted at the

outset, we will be especially vigilant for any project that could be of benefit to the military or to the state propaganda apparatus. This is why I have moved to cancel financing support for a proposed TV Tower.

Q: Have Canadian funds been used in the past to finance projects destined for the military or the propaganda apparatus?

A: I am confident that our system of Export Controls has worked to prevent this. We must be aware, however, that in the aftermath of the Tiananmen massacre, the military and those responsible for propaganda have adopted new and more aggressive roles, meaning that we will have to even more vigilant to avoid lending them any support.

Q: Our Line of Credit with China includes a \$350 million concessional portion. Will we allow China to draw the entire amount down?

A: I have stated that future projects under our Line of Credit for China will be subject to new selection criteria. Further, it is not yet clear whether projects in China will be delayed or deferred due to changing economic or political circumstances.

Q: Won't suspending funding for trade shows in China hurt Canadian companies more than it does the Chinese?

A: We have had to reassess the political and economic factors that underlie our bilateral relationship with China. As a government, we have to review our direct participation in trade promotion in China. We do not want to lend credence to a view that it is "business as usual". Further, we have to reassess trends in the Chinese economy and review marketing plans with Canadian companies. So there are also sound practical reasons for a suspension of trade show activities this year.

Q: Will we allow Chinese organizations to participate in shows and exhibitions in Canada.

A: We have already moved to suspend high-level official contacts between Canada and China. Where events are sponsored or organized by the private sector, it is up to the individual sponsors to decide. I would like to reiterate here that we are not anti-China, and that we still want to encourage friendly links between our two peoples.

Q: Will Canada move to restrict the flow of technology to China by increasing the range of products covered by export controls?

A: I have stated that Canada will suspend its efforts to further streamline procedures for the transfer of high technology to China, and that we will not move forward with further liberalization of the range of technologies that can be exported to China. This is an area where we work very closely with our allies to insure that our response is coordinated and effective. We will be consulting closely with them on this.

Q: What impact will downgrading your trade representation in Beijing have?

A: This is a logical step given that some of the other trade-related measures I have announced will reduce the amount of government-sponsored trade promotion activity in the immediate future. It also allows us time to assess the level of commercial activity in China in the wake of recent events.

Q: What positions will you eliminate?

A: These are essentially personnel questions, and I would rather wait until we have had a chance to advise the individuals involved before going into that.

COMMUNICATIONS AND CULTURE

Q: What will be the impact of CBC suspending the Broadcasting Aide Memoire? Why is the media being singled out?

A: The call to the CBC to suspend their Aide Memoire is being made because of what their partners in the joint production arrangement represent today. State radio and television in China has become an instrument of propaganda and intimidation, and we simply do not believe it would be appropriate for Canada's national radio and television services to be cooperating with them at the current time.

Q: Do you believe that sustaining the twinning arrangements and using contacts through them to keep the truth alive is really very viable given the strength of the Chinese propaganda machine?

A: We can only hope. We of course do not expect immediate results - what

we are investing in here is contacts with latent forces of moderation that will pay off in the medium to longer term.

IMMIGRATION

Q: Are you considering increasing the number of immigrants from Hong Kong as a result of this crisis?

A: Canada has for a number of years been a favoured destination for Hong Kong emigrants. The recent unrest in China has resulted in a heightened interest in terms of inquiries and requests for application forms.

We do not believe that it would be appropriate to make any adjustments to our immigration program in Hong Kong at the current time. We will continue to do our best to respond to all applications and to minimize the backlogs and the delays, which are clearly being exacerbated by recently increased demand.

If the situation in the colony becomes increasingly tense over time, we presume that the United Kingdom would have to examine very carefully the options open to it. In the first instance, this is an issue for the colony itself, for China and for the United Kingdom to address. Canada would of course be willing to discuss its role in the context of an appropriate international response, but I continue to hope that the coming months will see a calming of current nervousness.

GENERAL

Q: Do any of these measures have any impact whatsoever on China?

A: The current efforts of the Chinese government to pretend that Chinese foreign relations are unchanged by recent events, that western countries and businesses should now return to a "business as usual" mode, bear testimony to the fact that they are worried. They are worried that the wariness of the outside world will translate into a marked decline in foreign investment and economic cooperation that will seriously impede ambitious modernization plans.

The events of Tiananmen Square, the subsequent campaign of repression and the revving-up of the state propaganda machine have

tarnished China's image terribly. Remarkable diplomatic and public relations achievements over the last few years in garnering broad popular support in Canada and other Western countries have gone up in smoke virtually overnight.

The protestations we are hearing in Beijing that China will not be cowed by foreign pressure are clearly tempered by the realisation that viable foreign economic ties, which are prerequisite to achieving modernization goals, have been seriously damaged both by the response of foreign governments and by the heightened risk that the business and banking community see in doing business with China.



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Accession/Référence

File/Dossier

20-1-2-CHINA

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UNCLASSIFIED MESSAGE
NON CLASSIFIÉ

Align first character of Security Classification under this arrow
Alignez le premier caractère de la Sécurité sous cette flèche

SECURITY SÉCURITÉ	UNCLASSIFIED	FACSIMILE TRANSMISSION
FM/DE	FM EXTOTT PNR-1898 30JUN89	
TO/À	TO MR.HUGH ELIASSON/DEPUTY MINISTER/DEPARTMENT OF INDUSTRY, TRADE AND	
INFO	TOURISM/352 LEGISLATIVE BUILDING/WINNIPEG, MANITOBA, R3C 0V8/	
DISTR	FAX (204) 945-4882	
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SUBJ/SUJ	MR.HORST INTSCHER/EXECUTIVE COORDINATOR/INTERNATIONAL RELATIONS BRANCH/MINISTRY OF INTERGOVERNMENTAL AFFAIRS/QUEEN'S PARK, MOWAT BLOCK/900 BAY STREET, 5TH FLOOR/TORONTO, ONTARIO/M7A 1C2/ FAX (416) 965-2096 - STATEMENT BY SECRETARY OF STATE OF EXTERNAL AFFAIRS ON CHINA ATTACHED IS STATEMENT ON CHINA TO BE MADE BY RIGHT HONOURABLE JOE CLARK. ALSO ATTACHED IS PRESS RELEASE REGARDING CHINESE STUDENTS IN CDA. 2. BOTH STATEMENT AND PRESS RELEASE ARE FOR RELEASE ONLY AT 1100 AM OTT LOCAL TIME, 30 JUN.	

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GORDON HOULDEN SIG	PNR	996-0980	HOWARD BALLOCH SIG

000987



news release

Date

June 30, 1989.

No. 160

For release

UNCLASSIFIED
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A \$1.5 MILLION ASSISTANCE PROGRAM AND INFO HOT-LINE
FOR CHINESE STUDENTS IN CANADA

OTTAWA--The Secretary of State for External Affairs, the Right Honourable Joe Clark and External Relations and International Development Minister, the Honourable Monique Landry, today announced a series of measures to assist Chinese students in Canada.

They said that the Federal Government, through the Canadian International Development Agency (CIDA), will make up to \$1.5 million available to launch a national initiative to assist Chinese students in Canada. Up to \$1 million of these funds will be used to establish a National Coordination Office managed by the Canadian Bureau of International Education (CBIE) in partnership with the Chinese Canadian National Council (CCNC). It will provide Chinese students with information, counselling and referral services as well as emergency financial assistance.

"These services will be given in the strictest confidentiality, to ensure the security of the students who need assistance," Joe Clark stressed.

CBIE and CCNC will work together to mobilize resources across Canada, drawing on the support from their respective networks and reaching out to communities, institutions, provincial governments, non-governmental organizations, and business.

Mrs. Landry said that CIDA will provide \$300,000 to an emergency fund to be administered by the National Coordination Office. "I hope Canadians across the country will also respond generously to help Chinese students meet their needs".

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CIDA will allocate \$200,000 for an automatic blanket extension for three months to pay tuition fees and living expenses of CIDA-sponsored Chinese students in Canada whose training was to end during the summer months.

"The Federal Government has acted with leadership and generosity in response to the urgent needs of the Chinese students in Canada," Mr. Clark said.

The Canadian Bureau of International Education is a national organization, whose objectives are to assist foreign students in Canada, provide them with information and give them emergency financial support. It draws on a network of 150 centres in universities and colleges across Canada.

The Chinese Canadian National Council is an association with a network of 27 chapters across Canada. It promotes understanding and cooperation between Chinese Canadians and all other ethnic, cultural and racial groups in Canada.

A toll-free line (1-800-267-1299) has been installed to allow students to get more information, 24 hours a day, as of now.

The Honourable Barbara McDougall, Minister of Employment and Immigration, has already announced a number of immigration measures in response to the precarious situation that has developed for Chinese nationals, especially students, currently in Canada. All removals to China have been indefinitely suspended. Chinese citizens have several options to choose from and the time to consider the option which best meets their circumstances. They can request a one year extension of their visas or they can apply to stay permanently as immigrants or as refugees.

- 30 -

For further information, contact:

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Statement

Discours

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CHECK AGAINST DELIVERY

"CHINA AND CANADA: THE MONTHS AHEAD"

STATEMENT BY

THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS,

THE RIGHT HONOURABLE JOE CLARK

OTTAWA

June 30, 1989.

Secretary of State
for
External Affairs

Secrétaire d'État
aux
Affaires extérieures

Canada

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These past few weeks have been tumultuous ones in China and a great shock to the many Canadians who have an interest in China and in the relationship between our peoples.

You are aware of the Government's reaction to the brutality of June 4 and to the subsequent campaign of repression unleashed by the regime in Beijing. I announced in the House of Commons on June 5 a series of measures that constituted an initial response to those events, and we have subsequently taken a number of other individual steps.

Today I am announcing several adjustments to Canadian policies in light of the changed circumstances created by the events in China.

Canadians from many walks of life have a stake in our relationship with China. Some Canadians have ties of heritage and language. Academics, professionals and others have spent enormous proportions of their lives learning about China, and sharing the triumph and the tears of China's growing pains. Business people have invested substantial effort and resources - of their own, of their employees and of their stockholders - in building business relations with China. Our farmers have turned their land into a breadbasket for China, and today the China trade represents Canada's largest grain market.

So it is not surprising that there has been such extraordinary attention paid by Canadians to Tiananmen Square and its aftermath. As a country we have a great deal invested in our relationship with the People's Republic and the one-quarter of the world's population that lives there.

It is precisely because of this diversity of legitimate interests that the Government convened last week's "National Round Table", which brought together industrialists, academics, non-governmental organizations and representatives of the Chinese Canadian community. That Round Table produced a virtual consensus on where we should be going in our relationship with China over the next few months, and the few voices dissenting from that consensus argued on points of tactics, not on broad objectives or strategy.

In addition to the National Round Table we have had a special session on China in the House Standing Committee on External Affairs and International Trade.

Both the Prime Minister and I have met with representatives of the Chinese Canadian community, Mr. Mulroney in Vancouver and I here in Ottawa. Our colleague, the Minister of Employment and Immigration, subsequently met with representatives of that community in Toronto.

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During his time in Ottawa, Ambassador Earl Drake consulted with Parliamentarians, with representatives of the provinces, and with senior officials from major departments and agencies having interests in our relationship with China.

We have had a number of Cabinet meetings on the question and we have listened carefully to suggestions made to us through letters and media commentary.

As a result of this extensive consultative process, where do we go from here? First of all, I think it is clear that we cannot now determine how events are going to unfold in the months ahead with the kind of precision that would allow us to set in stone the parameters and mileposts that should govern our relations with China over the next several years. At the same time, I think we can start to respond to the changed circumstances in which that relationship will be pursued and begin moving the relationship onto a new footing.

Therefore I am announcing today certain adjustments in the relation between Canada and China.

Sometime in two or three months the outlook may be clearer and we will make further adjustments - perhaps by "thawing" certain parts of the relationship we have frozen, perhaps by cancelling some other elements we are now treating as suspended. I do think the National Round Table was a useful, consensus-building exercise, and we may well hold another one sometime in the autumn when the way ahead is a little clearer.

In the meantime, we are now taking a number of further steps to give effect to the changes in the Canada-China relationship in the context of the new political reality in China.

On the basis of the recommendations we heard during the National Round Table, we are framing our policy in the context of four basic parameters:

- First Tiananmen Square and the subsequent campaign of repression have changed the relationship between Canada and China. The Chinese authorities have called for "business as usual"; this cannot be accepted.
- Second, we value the friendship between our two peoples - we have not become, and will not become, "anti-China";

7/9

- Third, we must try to avoid measures that would push China towards isolation; and
- Fourth, we should try to maximize the impact of whatever measures we adopt via a relatively coordinated approach of like-minded countries.

With these basic parameters in mind, we will be analyzing various parts of our relationship, and events and proposals that come before us in the months to come, against certain criteria that have been designed to reflect the new reality in China:

- First, the existing links forged by government, industry and academics over the past decade should be preserved to the extent possible;
- Second, new initiatives in the relationship should focus on people-to-people exchanges; and
- Third, programs which benefit or lend prestige to the current hardline policies of the Chinese government, most particularly the military or state propaganda apparatus, should be avoided.

Against these basic groundrules, the series of further measures we are adopting at this time contain adjustments to most of the broad constituent parts of our relationship.

At the level of our overall political relationship with China, we will continue for the time being to defer high-level contacts with the Chinese Government. We will also continue to pursue human rights actions in UN agencies - particularly the ECOSOC and the Commission on Human Rights, and we will enhance the human rights monitoring capacity of our Embassy in Beijing. Other possible measures will be discussed at various international and multilateral events in the months to come.

The benefits of a certain amount of international unison makes it particularly important to stay in touch with our friends and allies in the weeks and months to come. The Paris Summit will be the first major meeting that will permit us to talk collectively about how to manage our China relationships, and we expect that meeting will provide the opportunity to consider the extent to which our concerns and responses are similar. This being said, it will remain important not to help the hardliners' propaganda in China set up a straw man of a western coalition ganging up on China.

8/9

On the development assistance front, we intend to withdraw from three projects which we believe fail the test of the new criteria - preserving links, people-to-people exchanges, and no support for the military and propaganda apparatus. The three projects involve support for state auditor training, a lube oil centre, and urban traffic management. In addition, we will keep on hold four of the five agreements for which the signings were postponed in the immediate aftermath of the Tiananmen incident. We will, however, proceed to sign a project linking community colleges with their Chinese counterparts. We will also be suspending indefinitely activity associated with the Three Gorges project, and be placing new emphasis on people-to-people exchanges, and on an increased flow of students to Canada.

On the economic front, we will be proceeding with a number of adjustments. First, we will henceforth be applying the criteria I outlined when new projects are considered for support under the EDC line-of-credit. We will be cancelling one project - a television transmission facility - which is clearly supportive of China's state propaganda apparatus. Along with other countries, we will be examining the possibility of suspending further streamlining and liberalization of the COCOM export controls as they apply to China, and we will be suspending government funding for participation in PRC-hosted trade shows and exhibitions for the remainder of the year. Finally, we will be downgrading Canada's trade representation in Beijing in response to the changed circumstances and in anticipation of an expected downturn in trade activity.

In the area of communications and cultural exchanges, we will be making very few adjustments. As a government we feel it is particularly important to sustain cultural and people-to-people links at this time. We have had many requests about the various twinning arrangements and institutional linkages that exist between our provinces, municipalities and non-governmental organizations and their Chinese counterparts. What we are saying to them today is not to cut their ties but to reach out to their counterparts, to their contacts with the objective of keeping the doors open, keeping the exchanges operating and information flowing. The more contacts people from all walks of life in China can have with their Canadian and other friends, the less likely the success of the onslaught of the hardline propaganda machine.

At the same time, we are calling on the CBC to suspend their Broadcasting Aide Memoire on joint production for radio and television programming with Chinese state radio, given the latter's current role in China's propaganda efforts.

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9/9

As you know, Radio Canada International advanced by ten months its program for Mandarin broadcasts into China, from next April to last week, and we will be exploring with them the possibility of increasing the length and the frequency of future broadcasts. We are not talking here of western propoganda, we are talking about the kind of straight news and information broadcasts that are standard Canadian fare. We leave it to Chinese listeners to make their own judgements about what is truth and what is not.

On the immigration front, we have attempted to respond to increased demand by beefing up our processing capacity in Beijing and Shanghai. We have to date been giving priority to students, and to the families of students and others here in Canada, and we will be looking at further measures as the weeks and months advance.

With respect to Chinese students here in Canada, the Government has already taken steps to respond to the uncertainty they have felt in light of the radically changed environment in their homeland.

I and my colleagues the Minister of Employment and Immigration and the Minister of External Relations and International Development have prepared a series of measures to address the situation of Chinese students here in Canada, their ability to support themselves while here, and their longer-term status. We have emphasized that we are willing to extend student Visas for a year and we have established mechanisms to ensure that work permits, job counselling services, and financial support will be in place for those who need it. At the same time, we are not encouraging Chinese students here to take hasty decisions. We are not pressuring them into definitively cutting their ties to China - we are simply saying that you are welcome during this period of uncertainty. If in the end they choose not to return to China, then we will look at individual cases sympathetically, but we continue to hope that the situation in China will encourage them to decide, at the end of their academic programs, to return to China, bring with them Canadian concepts, Canadian ways of doing things, and a healthy commitment to truth and the rule of law.

There is separate press material available on the programs being put in place with respect to the students and so I do not think there is any need for me to delve into the details here. I might add, however, that these programs are an excellent example of cooperation between a variety of communities here in Canada, cooperation made possible by the consultative process we have adopted in response to the events in China.



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SUBJ/SUJ	<p>---DECLARATION DU SEAE SUR LA CHINE</p> <p>CI-JOINT COPIE DE DECLARATION EN RUBRIQUE. JOIGNONS EGALEMENT UN COMMUNIQUE SUR UN PROGRAMME D'ASSISTANCE DE 1.5 MILLION ET UNE LIGNE TELEPHONIQUE SPECIALE POUR LES ETUDIANTS CHINOIS AU CDA.</p> <p>2. SOMMES AU REGRET DE N'AVOIR PU VOUS ENVOYER LE TEXTE POUR LE 301600 (HRE DE PARIS) TEL QUE REQUIS.</p> <p>3 [CONCENTRE SVP FAX LES 10/10 PAGES CI-JOINTES]</p>		

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Statement
Department of
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Discours
Ministère des
Affaires
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SOUS RESERVE DE MODIFICATIONS

89/32

"L'AVENIR DES RELATIONS SINO-CANADIENNES"

DECLARATION PAR LE

SECRETAIRE D'ETAT AUX AFFAIRES EXTERIEURES

LE TRES HONORABLE JOE CLARK

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Les quelques dernières semaines ont été tumultueuses pour la Chine et ont provoqué la consternation chez les nombreux Canadiens qui s'intéressent à ce pays et aux relations entre les deux peuples.

Vous connaissez tous la réaction du gouvernement à la brutalité des événements du 4 juin et à la campagne subséquente de répression menée par le régime de Beijing. Le 5 juin, j'ai annoncé à la Chambre des Communes un ensemble de mesures face à ces événements. Depuis, d'autres mesures ponctuelles sont venues s'ajouter.

Je voudrais aujourd'hui annoncer plusieurs changements en réaction à la situation nouvelle en Chine.

Nos relations avec la Chine ont des répercussions sur de nombreux Canadiens et ce, dans toutes les couches de la société. Certains sont rattachés à ce pays par le passé et par la langue. Par ailleurs, des universitaires, des professionnels et d'autres personnes ont passé une grande partie de leur vie à étudier la Chine et à établir des liens avec leurs homologues chinois. Ils se sentent solidaires des réussites et des échecs qui accompagnent les efforts de développement de ce pays. De leur côté, les gens d'affaires ont investi beaucoup d'efforts et de ressources - sans compter ceux de leurs employés et de leurs actionnaires - pour établir des relations commerciales avec la Chine. Pour leur part, les agriculteurs canadiens sont devenus les fournisseurs de la Chine qui, constitue aujourd'hui, le marché céréalier le plus important du Canada.

Ce n'est donc pas étonnant que les événements de la place Tiannamen et ceux qui ont suivi aient autant retenu l'attention des Canadiens. Comme pays, nous n'avons rien épargné pour développer nos relations avec la République Populaire de Chine et la population de ce pays qui représente le quart de la population mondiale.

C'est donc précisément en raison de la diversité des intérêts qui nous rattachent à ce pays que le gouvernement a convoqué la semaine dernière une Table ronde nationale réunissant des industriels, des universitaires, des organisations non gouvernementales et des représentants

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4/10

de la communauté sino-canadienne. À l'issue de cette Table ronde, les opinions étaient virtuellement unanimes quant à l'orientation que nous devrions donner à nos relations avec la Chine au cours des quelques prochains mois et les rares différences exprimées concernaient surtout des questions de tactique et non les grands objectifs ou la stratégie.

- En plus de la tenue d'une Table ronde, nous avons également convoqué une séance spéciale du Comité permanent de la Chambre sur les Affaires extérieures et le Commerce extérieur.

Par ailleurs, le Premier ministre, à Vancouver et moi-même, à Ottawa, avons rencontré des représentants de la communauté canadienne d'origine chinoise. Notre collègue, le ministre de l'Emploi et de l'Immigration, a eu par la suite des entretiens avec des représentants de cette communauté à Toronto.

- De son côté, pendant son séjour à Ottawa, l'ambassadeur Earl Drake a eu des consultations avec des parlementaires, des représentants des provinces, ainsi que des hauts fonctionnaires des ministères et organismes importants qui s'intéressent à nos relations avec la Chine.

- Le Cabinet s'est réuni à plusieurs reprises pour examiner la question, et nous avons étudié soigneusement les suggestions qui nous ont été faites par correspondance ou par l'entremise des observations de la presse.

- Après ce long processus de consultations, que devrions-nous faire maintenant? D'abord, il est évident que nous ne pouvons pas savoir la tournure que vont prendre les événements au cours des prochains mois et l'incertitude où nous sommes ne nous permet pas d'établir de façon définitive les paramètres et les points de repère qui devraient guider nos relations avec la Chine pendant les prochaines années.

- Je veux annoncer aujourd'hui certains changements dans nos relations sino-canadiennes. Il se peut que dans deux ou trois mois la situation soit plus claire; nous prendrons d'autres décisions - peut-être "réactiver" certains aspects de la relation aujourd'hui gelés, peut-être annuler définitivement d'autres éléments maintenant mis en

veilleuse. Je suis convaincu que la Table ronde nationale a été un exercice utile propre à rallier les opinions, et je crois que nous ferions bien d'en tenir une autre à l'automne, lorsque la situation se sera quelque peu éclaircie.

- Dans l'intervalle, nous prenons un certain nombre d'autres mesures pour traduire dans la réalité le changement des relations entre le Canada et la Chine dans le contexte de la nouvelle réalité politique de ce pays.

D'après les recommandations qui ont été formulées, pendant la Table ronde nationale, nous établissons notre politique selon quatre paramètres fondamentaux :

- Premièrement, les troubles de la place Tiananmen et la campagne de répression qui a suivi ont changé les relations entre le Canada et la Chine. Les autorités chinoises voudraient que "les affaires suivent leur cours habituel", comme si de rien n'était. Nous ne pouvons accepter.

- Deuxièmement, l'amitié qui unit les deux peuples nous est précieuse - nous ne sommes pas devenus et ne deviendrons pas "anti-chinois".

- Troisièmement, nous devons tenter d'éviter les mesures qui pousseraient la Chine vers l'isolement.

- Quatrièmement, nous devons faire des efforts pour adopter, avec les pays qui ont à peu près la même attitude que la nôtre, une approche relativement coordonnée quant aux mesures éventuelles à prendre.

En tenant compte de ces paramètres fondamentaux, nous allons analyser les diverses composantes de nos relations, ainsi que les événements et les propositions qui vont se présenter à nous au cours des prochains mois par rapport à certains critères qui ont été conçus pour décrire la nouvelle réalité en Chine :

- Premièrement, les liens existants établis par le gouvernement, l'industrie et les universités au cours de la dernière décennie devraient être maintenus dans la mesure du possible;

- Deuxièmement, les nouvelles initiatives devraient porter sur des échanges entre personnes;

6/10

- Troisièmement, il faudrait éviter les programmes qui profitent ou donnent du prestige aux partisans de la ligne dure au sein du gouvernement chinois, plus particulièrement les militaires ou l'appareil de propagande de l'État.

- Dans ce contexte, l'ensemble des nouvelles mesures que nous adoptons en ce moment modifie la plupart des grandes composantes de nos relations.

- Pour ce qui est de nos relations politiques générales avec la Chine, nous continuerons pour l'instant de différer les contacts de haut niveau avec le gouvernement chinois. Nous continuerons également de poursuivre l'action que nous menons dans le domaine des droits de l'homme auprès de diverses institutions des Nations Unies - notamment auprès de l'ECOSOC et de la Commission de droits de l'homme - et nous augmenterons les ressources consacrées, à notre ambassade à Beijing, au suivi de la situation des droits de l'homme en Chine. D'autres mesures éventuelles seront examinées lors des diverses rencontres qui doivent avoir lieu au cours des prochains mois au niveaux multilatéral et national.

- Il est particulièrement important que nous restions en contact avec nos amis et alliés au cours des semaines et des mois à venir, si nous voulons parvenir à un certain degré d'harmonie au niveau international pour une action efficace. Le Sommet de Paris sera la première grande réunion où nous pourrions examiner collectivement l'orientation à donner à nos relations avec la Chine. Nous espérons que cette rencontre sera une occasion d'évaluer dans quelle mesure nos préoccupations et nos réactions sont ou non similaires. Ceci dit, il est important de ne pas donner aux partisans de la ligne dure en Chine des arguments propres à alimenter leur propagande, c'est-à-dire de ne pas leur donner l'impression que les pays de l'Ouest forment une coalition contre la Chine.

- En ce qui concerne l'aide au développement, nous avons l'intention de nous retirer de trois projets qui, selon nous, ne répondent pas aux nouveaux critères - préserver les relations, favoriser les échanges entre personnes et n'apporter aucun soutien aux militaires et à l'appareil de propagande. - ces projets concernent respectivement une aide pour la formation de vérificateurs d'État, un centre d'huile lubrifiante et la gestion du trafic urbain. En outre, nous garderons en attente quatre des cinq accords dont la signature avait été reportée au lendemain des événements qui se sont produits place Tiananmen. Par contre, nous signerons un projet visant à établir des liens entre des collèges communautaires et des établissements équivalents en Chine. Nous interrompons

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7/10

aussi, jusqu'à une date indéterminée, les activités ayant trait au projet des Trois Gorges, et insisterons, en ce qui concerne les nouveaux projets, sur les échanges entre personnes ainsi que sur l'accroissement du nombre de jeunes qui viennent faire leurs études au Canada.

- Sur le plan économique, nous procéderons à plusieurs ajustements. Tout d'abord, nous appliquerons dorénavant les nouveaux critères que j'ai mentionnés chaque fois qu'il sera question de financer de nouveaux projets à même une ligne de crédit de la SEE. Nous annulerons un projet de mise en place d'installations de transmission télévisuelle - qui, manifestement, serviraient à appuyer l'appareil de propagande d'État en Chine. Nous examinerons avec d'autres pays la possibilité d'interrompre la rationalisation et la libéralisation des contrôles du COCOM à l'exportation qui s'appliquent à la Chine, et nous arrêterons de financer la participation aux foires commerciales et expositions qui doivent se tenir en RPC d'ici la fin de l'année. Enfin, étant donné l'évolution de la situation et vu que l'on s'attend à une diminution des activités commerciales, nous réduirons notre représentation commerciale à Beijing.

Très peu de changements seront apportés dans le domaine des communications et des échanges culturels. En tant que gouvernement, nous pensons qu'il est particulièrement important en ce moment de maintenir les liens culturels et les contacts entre les personnes. Nous avons reçu beaucoup de demandes au sujet des divers arrangements de jumelage et des liens institutionnels qui existent entre nos provinces, municipalités et organisations non gouvernementales et leurs équivalents en Chine. Nous demandons à tous aujourd'hui de ne pas rompre leurs liens avec leurs contreparties et leurs contacts mais, au contraire, de leur tendre la main afin que les portes ne se referment pas, que les échanges se poursuivent et que les informations continuent de circuler. Plus les Chinois de toutes conditions sociales auront de contacts avec leurs amis - Canadiens et autres - moins les partisans de la ligne dure auront de chances de voir leur propagande aboutir.

- En même temps, nous lançons à la Radio Canada un appel afin qu'elle renonce temporairement à son aide-mémoire sur la radiodiffusion concernant la production commune de programmes de radio et de télévision avec la radio d'État chinoise, étant donné le rôle que joue actuellement cette dernière au niveau de la propagande en Chine.

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Comme vous le savez, Radio-Canada international a avancé de dix mois son programme pour la diffusion en Chine d'émissions en mandarin, qui a débuté la semaine dernière au lieu du mois d'avril prochain. Nous étudierons avec les responsables la possibilité d'accroître la durée et la fréquence des émissions futures. Il ne s'agit pas ici de propagande occidentale, mais seulement de garantir la diffusion de bulletins d'information objectifs, comme cela se fait au Canada. Nous laisserons aux auditeurs chinois le soin de faire eux-mêmes la distinction entre le vrai et le faux.

- Pour ce qui est de l'immigration, nous avons renforcé nos ressources à Beijing et à Shanghai pour essayer de faire face à l'accroissement de la demande. Jusqu'ici, nous avons accordé la priorité aux étudiants, aux familles des étudiants et des autres personnes actuellement au Canada. Nous examinerons d'autres mesures au cours des semaines et des mois à venir.

- Le gouvernement a déjà pris des mesures face à l'incertitude ressentie par les étudiants chinois au Canada par suite du revirement de la situation dans leur pays.

Mes collègues, le ministre de l'Emploi et de l'Immigration et le ministre des Relations extérieures et du développement international et moi même, avons préparé une série de mesures pour venir en aide aux étudiants chinois au Canada, pour veiller à ce qu'ils puissent subvenir à leurs propres besoins pendant leur séjour au Canada, enfin pour voir à leur statut à long terme. Nous avons insisté sur le fait que nous sommes disposés à prolonger d'un an la validité des visas d'étudiants, et nous avons mis en place des mécanismes pour veiller à ce que ceux qui en ont besoin puissent obtenir des permis de travail, et bénéficier de services d'orientation professionnelle et d'une aide financière. Nous n'encourageons pas pour autant les étudiants chinois à prendre prennent des décisions hâtives. Nous ne faisons sur eux aucune pression afin de les amener à rompre à jamais leurs liens avec la Chine - nous leur disons simplement qu'ils sont les bienvenus durant cette période d'incertitude. Si, enfin de compte, ils choisissent de ne pas retourner en Chine, nous examinerons favorablement chaque cas; nous continuons cependant d'espérer que la situation en Chine évoluera de telle façon à les encourager, à la fin de leurs études universitaires, à retourner en Chine, pénétrés de nos concepts et de nos façons de faire, et profondément attachés à la vérité et à la primauté du droit.

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Date Le 30 juin 1989
Pour publication

N^o 160

UN PROGRAMME D'ASSISTANCE DE \$1.5 MILLION ET UNE LIGNE
TELEPHONIQUE SPECIALE POUR LES ETUDIANTS
CHINOIS AU CANADA

OTTAWA--Le secrétaire d'Etat aux Affaires extérieures, le très honorable Joe Clark et la ministre des Relations extérieures et du Développement international, l'honorable Monique Landry, ont annoncé aujourd'hui les mesures pour venir en aide aux étudiants chinois au Canada.

Ils ont indiqué que le gouvernement fédéral, par le biais de l'Agence canadienne de développement international (ACDI), va allouer jusqu'à \$1,5 million pour lancer une initiative nationale à l'intention des étudiants chinois au Canada. De ces fonds, on affectera jusqu'à \$1 million pour l'établissement d'un Bureau de coordination nationale qui sera sous la direction du Bureau canadien d'éducation internationale (BCEI), lequel travaillera conjointement avec le Conseil national des Canadiens chinois (CNCC). Ce bureau fournira aux étudiants chinois des renseignements, des conseils et des services de référence ainsi qu'une assistance financière d'urgence.

«Ces services seront donnés dans la plus stricte confidentialité pour assurer la sécurité des étudiants qui ont besoin d'aide,» a précisé Joe Clark.

Le BCEI et le CNCC travailleront de concert pour mobiliser des ressources dans tout le Canada et par l'intermédiaire de leurs réseaux respectifs, ils s'efforceront d'informer et de sensibiliser les communautés, institutions, gouvernements provinciaux, organisations non gouvernementales et le monde des affaires.

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Mme Landry a indiqué que l'ACDI allait verser \$300 000 dans un fonds d'urgence qui sera administré par le Bureau de coordination nationale. «J'espère que les Canadiens dans tout le pays vont aussi contribuer généreusement pour aider les étudiants chinois à faire face à leurs besoins.»

L'ACDI a prévu \$200 000 pour que les allocations couvrant les frais d'études et de subsistance des étudiants chinois parrainés par l'ACDI et dont les stages devaient se terminer au cours de l'été soient automatiquement prolongées de trois mois.

«Le gouvernement fédéral a agi avec leadership et générosité en réponse aux besoins urgents des étudiants chinois au Canada,» a dit M. Clark.

Le Bureau canadien d'éducation internationale est une organisation nationale dont les objectifs consistent à aider les étudiants étrangers au Canada, à les renseigner et à leur donner un appui financier d'urgence. Il dispose d'un réseau de 150 centres dans les universités et collèges à travers le pays.

Le Conseil national des Canadiens chinois est une association regroupant 27 chapitres répartis partout au Canada. Son but est de promouvoir la compréhension et la coopération entre les Canadiens chinois et tous les autres groupes ethniques, culturels et raciaux au Canada.

Une ligne sans frais (1-800-267-1299) a été installée pour permettre aux étudiants d'obtenir plus de renseignements 24 heures par jour dès aujourd'hui.

L'honorable Barbara McDougall, ministre de l'Emploi et de l'Immigration, a déjà annoncé que des mesures seraient prises pour répondre à la situation précaire dans laquelle se trouvent les Chinois, en particulier les étudiants, présentement au Canada. Tous les renvois de personnes en Chine ont été suspendus pour une période indéfinie. Les citoyens chinois se trouvent devant plusieurs possibilités et on leur donne le temps de choisir la solution qui répond le mieux à leurs besoins. Ils peuvent demander une prolongation d'un an de leur visa ou l'autorisation de demeurer de façon permanente comme immigrants ou réfugiés.

- 30 -

Pour plus de renseignements, veuillez contacter:

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Statement

Discours

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30 June 89

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CHECK AGAINST DELIVERY

"CHINA AND CANADA: THE MONTHS AHEAD"

STATEMENT BY

THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS,

THE RIGHT HONOURABLE JOE CLARK

OTTAWA

June 30, 1989.

RETURN TO RENOYER AU		BICO	FOR FILING POUR - ETRE PORTE AU DOSSIER
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Secretary of State
for
External Affairs

Secrétaire d'État
aux
Affaires extérieures

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These past few weeks have been tumultuous ones in China and a great shock to the many Canadians who have an interest in China and in the relationship between our peoples.

You are aware of the Government's reaction to the brutality of June 4 and to the subsequent campaign of repression unleashed by the regime in Beijing. I announced in the House of Commons on June 5 a series of measures that constituted an initial response to those events, and we have subsequently taken a number of other individual steps.

Today I am announcing several adjustments to Canadian policies in light of the changed circumstances created by the events in China.

Canadians from many walks of life have a stake in our relationship with China. Some Canadians have ties of heritage and language. Academics, professionals and others have spent enormous proportions of their lives learning about China, and sharing the triumph and the tears of China's growing pains. Business people have invested substantial effort and resources - of their own, of their employees and of their stockholders - in building business relations with China. Our farmers have turned their land into a breadbasket for China, and today the China trade represents Canada's largest grain market.

So it is not surprising that there has been such extraordinary attention paid by Canadians to Tiananmen Square and its aftermath. As a country we have a great deal invested in our relationship with the People's Republic and the one-quarter of the world's population that lives there.

It is precisely because of this diversity of legitimate interests that the Government convened last week's "National Round Table", which brought together industrialists, academics, non-governmental organizations and representatives of the Chinese Canadian community. That Round Table produced a virtual consensus on where we should be going in our relationship with China over the next few months, and the few voices dissenting from that consensus argued on points of tactics, not on broad objectives or strategy.

In addition to the National Round Table we have had a special session on China in the House Standing Committee on External Affairs and International Trade.

Both the Prime Minister and I have met with representatives of the Chinese Canadian community, Mr. Mulroney in Vancouver and I here in Ottawa. Our colleague, the Minister of Employment and Immigration, subsequently met with representatives of that community in Toronto.

5/9

6/9

During his time in Ottawa, Ambassador Earl Drake consulted with Parliamentarians, with representatives of the provinces, and with senior officials from major departments and agencies having interests in our relationship with China.

We have had a number of Cabinet meetings on the question and we have listened carefully to suggestions made to us through letters and media commentary.

As a result of this extensive consultative process, where do we go from here? First of all, I think it is clear that we cannot now determine how events are going to unfold in the months ahead with the kind of precision that would allow us to set in stone the parameters and mileposts that should govern our relations with China over the next several years. At the same time, I think we can start to respond to the changed circumstances in which that relationship will be pursued and begin moving the relationship onto a new footing.

Therefore I am announcing today certain adjustments in the relation between Canada and China.

Sometime in two or three months the outlook may be clearer and we will make further adjustments - perhaps by "thawing" certain parts of the relationship we have frozen, perhaps by cancelling some other elements we are now treating as suspended. I do think the National Round Table was a useful, consensus-building exercise, and we may well hold another one sometime in the autumn when the way ahead is a little clearer.

In the meantime, we are now taking a number of further steps to give effect to the changes in the Canada-China relationship in the context of the new political reality in China.

On the basis of the recommendations we heard during the National Round Table, we are framing our policy in the context of four basic parameters:

- First Tiananmen Square and the subsequent campaign of repression have changed the relationship between Canada and China. The Chinese authorities have called for "business as usual"; this cannot be accepted.
- Second, we value the friendship between our two peoples - we have not become, and will not become, "anti-China";

7/9

- Third, we must try to avoid measures that would push China towards isolation; and
- Fourth, we should try to maximize the impact of whatever measures we adopt via a relatively coordinated approach of like-minded countries.

With these basic parameters in mind, we will be analyzing various parts of our relationship, and events and proposals that come before us in the months to come, against certain criteria that have been designed to reflect the new reality in China:

- First, the existing links forged by government, industry and academics over the past decade should be preserved to the extent possible;
- Second, new initiatives in the relationship should focus on people-to-people exchanges; and
- Third, programs which benefit or lend prestige to the current hardline policies of the Chinese government, most particularly the military or state propaganda apparatus, should be avoided.

Against these basic groundrules, the series of further measures we are adopting at this time contain adjustments to most of the broad constituent parts of our relationship.

At the level of our overall political relationship with China, we will continue for the time being to defer high-level contacts with the Chinese Government. We will also continue to pursue human rights actions in UN agencies - particularly the ECOSOC and the Commission on Human Rights, and we will enhance the human rights monitoring capacity of our Embassy in Beijing. Other possible measures will be discussed at various international and multilateral events in the months to come.

The benefits of a certain amount of international unison makes it particularly important to stay in touch with our friends and allies in the weeks and months to come. The Paris Summit will be the first major meeting that will permit us to talk collectively about how to manage our China relationships, and we expect that meeting will provide the opportunity to consider the extent to which our concerns and responses are similar. This being said, it will remain important not to help the hardliners' propaganda in China set up a straw man of a western coalition ganging up on China.

8/9

On the development assistance front, we intend to withdraw from three projects which we believe fail the test of the new criteria - preserving links, people-to-people exchanges, and no support for the military and propaganda apparatus. The three projects involve support for state auditor training, a lube oil centre, and urban traffic management. In addition, we will keep on hold four of the five agreements for which the signings were postponed in the immediate aftermath of the Tiananmen incident. We will, however, proceed to sign a project linking community colleges with their Chinese counterparts. We will also be suspending indefinitely activity associated with the Three Gorges project, and be placing new emphasis on people-to-people exchanges, and on an increased flow of students to Canada.

On the economic front, we will be proceeding with a number of adjustments. First, we will henceforth be applying the criteria I outlined when new projects are considered for support under the EDC line-of-credit. We will be cancelling one project - a television transmission facility - which is clearly supportive of China's state propaganda apparatus. Along with other countries, we will be examining the possibility of suspending further streamlining and liberalization of the COCOM export controls as they apply to China, and we will be suspending government funding for participation in PRC-hosted trade shows and exhibitions for the remainder of the year. Finally, we will be downgrading Canada's trade representation in Beijing in response to the changed circumstances and in anticipation of an expected downturn in trade activity.

In the area of communications and cultural exchanges, we will be making very few adjustments. As a government we feel it is particularly important to sustain cultural and people-to-people links at this time. We have had many requests about the various twinning arrangements and institutional linkages that exist between our provinces, municipalities and non-governmental organizations and their Chinese counterparts. What we are saying to them today is not to cut their ties but to reach out to their counterparts, to their contacts with the objective of keeping the doors open, keeping the exchanges operating and information flowing. The more contacts people from all walks of life in China can have with their Canadian and other friends, the less likely the success of the onslaught of the hardline propaganda machine.

At the same time, we are calling on the CBC to suspend their Broadcasting Aide Memoire on joint production for radio and television programming with Chinese state radio, given the latter's current role in China's propaganda efforts.

9/9

As you know, Radio Canada International advanced by ten months its program for Mandarin broadcasts into China, from next April to last week, and we will be exploring with them the possibility of increasing the length and the frequency of future broadcasts. We are not talking here of western propaganda, we are talking about the kind of straight news and information broadcasts that are standard Canadian fare. We leave it to Chinese listeners to make their own judgements about what is truth and what is not.

On the immigration front, we have attempted to respond to increased demand by beefing up our processing capacity in Beijing and Shanghai. We have to date been giving priority to students, and to the families of students and others here in Canada, and we will be looking at further measures as the weeks and months advance.

With respect to Chinese students here in Canada, the Government has already taken steps to respond to the uncertainty they have felt in light of the radically changed environment in their homeland.

I and my colleagues the Minister of Employment and Immigration and the Minister of External Relations and International Development have prepared a series of measures to address the situation of Chinese students here in Canada, their ability to support themselves while here, and their longer-term status. We have emphasized that we are willing to extend student Visas for a year and we have established mechanisms to ensure that work permits, job counselling services, and financial support will be in place for those who need it. At the same time, we are not encouraging Chinese students here to take hasty decisions. We are not pressuring them into definitively cutting their ties to China - we are simply saying that you are welcome during this period of uncertainty. If in the end they choose not to return to China, then we will look at individual cases sympathetically, but we continue to hope that the situation in China will encourage them to decide, at the end of their academic programs, to return to China, bring with them Canadian concepts, Canadian ways of doing things, and a healthy commitment to truth and the rule of law.

There is separate press material available on the programs being put in place with respect to the students and so I do not think there is any need for me to delve into the details here. I might add, however, that these programs are an excellent example of cooperation between a variety of communities here in Canada, cooperation made possible by the consultative process we have adopted in response to the events in China.

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news release

Date June 30, 1989.

For release

No. 160

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A \$1.5 MILLION ASSISTANCE PROGRAM AND INFO HOT-LINE
FOR CHINESE STUDENTS IN CANADA

OTTAWA--The Secretary of State for External Affairs, the Right Honourable Joe Clark and External Relations and International Development Minister, the Honourable Monique Landry, today announced a series of measures to assist Chinese students in Canada.

They said that the Federal Government, through the Canadian International Development Agency (CIDA), will make up to \$1.5 million available to launch a national initiative to assist Chinese students in Canada. Up to \$1 million of these funds will be used to establish a National Coordination Office managed by the Canadian Bureau of International Education (CBIE) in partnership with the Chinese Canadian National Council (CCNC). It will provide Chinese students with information, counselling and referral services as well as emergency financial assistance.

"These services will be given in the strictest confidentiality, to ensure the security of the students who need assistance," Joe Clark stressed.

CBIE and CCNC will work together to mobilize resources across Canada, drawing on the support from their respective networks and reaching out to communities, institutions, provincial governments, non-governmental organizations, and business.

Mrs. Landry said that CIDA will provide \$300,000 to an emergency fund to be administered by the National Coordination Office. "I hope Canadians across the country will also respond generously to help Chinese students meet their needs".

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3/9

CIDA will allocate \$200,000 for an automatic blanket extension for three months to pay tuition fees and living expenses of CIDA-sponsored Chinese students in Canada whose training was to end during the summer months.

"The Federal Government has acted with leadership and generosity in response to the urgent needs of the Chinese students in Canada," Mr. Clark said.

The Canadian Bureau of International Education is a national organization, whose objectives are to assist foreign students in Canada, provide them with information and give them emergency financial support. It draws on a network of 130 centres in universities and colleges across Canada.

The Chinese Canadian National Council is an association with a network of 27 chapters across Canada. It promotes understanding and cooperation between Chinese Canadians and all other ethnic, cultural and racial groups in Canada.

A toll-free line (1-800-267-1299) has been installed to allow students to get more information, 24 hours a day, as of now.

The Honourable Barbara McDougall, Minister of Employment and Immigration, has already announced a number of immigration measures in response to the precarious situation that has developed for Chinese nationals, especially students, currently in Canada. All removals to China have been indefinitely suspended. Chinese citizens have several options to choose from and the time to consider the option which best meets their circumstances. They can request a one year extension of their visas or they can apply to stay permanently as immigrants or as refugees.

- 30 -

For further information, contact:

Andrée Corriveau
Press Secretary
Minister Landry's Office
Hull (819) 994-6161

Media Relations Office
External Affairs and
International Trade Canada
Ottawa (613) 995-1874

ACTION
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30 JUN 89

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---DECLARATION DU SEAE SUR LA CHINE

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C O N F I D E N T I A L

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---SSEA STATEMENT ON CHINA

GRATEFUL REF STATEMENT AND QANDAS.WE HAVE PASSED STATEMENT ON TO POLITICAL ADVISORS OFFICE.

2.AS REGARDS SHARING STATEMENT WITH MEDIA WE REQUEST TWO PAGE SUMMARY FOR RELEASE TO PRESS.WHILE THERE IS INTEREST,ESP FROM CHINESE MEDIA,IN RESPONSE OF WESTERN GOVTS TO CHINA REGIONAL AND LOCAL MEDIA WILL NOT/NOT EVEN GLANCE AT 12-PAGE STATEMENT.HAVING APPRENTICED IN PDANIELS SCHOOL OF MEDIA RELATIONS THE RESPONSE-- A LAUGH,OF TWO EDITORS OF REGIONAL AND LOCAL PAPER AND WIRE SERVICE EDITOR TO WHOM WE OFFERED UNEXPURGATED TEXT,WAS NO/NO SURPRISF. RATHER THEY ASKED US FOR SUMMARY OF ACTIONS.BEFORE WE PREPARE FORMAL PRESS RELEASE AND TRANSLATE INTO CHINESE,WE WOULD PREFER, IF INTENT IS TO GAIN MEDIA ATTENTION AND THROUGH IT INFORM CHINESE READERS WHO WILL DOUBTLESS PASS ON INTO CHINA,YOU SEND US APPROVED SUMMARY STATEMENT.

3.GRATEFUL REPLY BY RETURN TEL.

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June 29, 1989

Governor Wang Zhongyu
Governor of Jilin Province
People's Republic of China

Dear Governor Wang:

Re: Activities Under the Third Plan of Action

I suggested that the last para be dropped and replace with comment that officials can discuss future activities after the summer break.

*1/B
GAT
MT
CFY/Brown
+ BIW*

The relationship between Saskatchewan and Jilin has been, and will continue to be, of importance and mutual benefit to the people of our respective provinces. The trade, scientific, educational, cultural and recreational exchanges have not only benefitted us economically and culturally, but has also created a bond of friendship.

As you said during my recent visit, good friends can be candid with each other. Indeed, Saskatchewan and Canada have been friends with China for a long time: in the sixties Alvin Hamilton, a Member of Parliament from Saskatchewan, was instrumental in ensuring the sale of wheat to China, in 1970 Canada was one of the first western countries to recognize the People's Republic of China, and the list goes on.

It is within this context of friendship and mutual respect that I express to you my grave concern about the violence that has occurred in China. I respectfully ask you to take steps to prevent similar action in Jilin, and to use your influence to encourage a peaceful resolution to these issues throughout China.

As I said earlier, it is the special relationship created by our twinning agreement which allows me to write and express my concerns to you directly.

In terms of pursuing the articles of the Third Plan of Action, I was pleased to hear of the success of the follow up mission led by Mr. Dimitrijevic which I am sure will lead to the eventual development of mutually beneficial projects for Jilin and Saskatchewan.

However, I am advised by my officials that the Canadian Government has recommended against travel to China due to the uncertainty that exists at this time and, therefore, we will have to postpone any travel plans until such time as we are advised by the Federal Government that the situation has stabilized.

page two
June 29, 1989
Governor Wang

Because of a visit by the British Royal Family and since our Legislature will be in session, July and August are inconvenient for Saskatchewan to receive additional visitors. We will be in contact with you as circumstances change. I do, however, look forward to a continuation of exchanges under the Plan of Action in the future.

Yours sincerely,

Grant Devine
Premier of Saskatchewan

Saskatchewan



Saskatchewan
Executive Council

Legislative Building, Room 135
Regina, Canada
S4S 0B3

DATE: June 29, 1989

DATE RECEIVED	DATE RECEIVED
JUN 29 1989	JUN 29 1989
PNR	PNR

Jutzi

TELECOPIER TRANSMISSION SHEET

TO: Bruce Jutzi
External Affairs, North Asia Relations Division
Federal Government

FROM: Stellan
to the Deputy Minister to the Premier
the Council, Government of Saskatchewan

Telecopier: (306) 787-8338

TOTAL NUMBER OF PAGES (including cover page) Three (3)

SHOULD PROBLEMS ARISE, CALL (306) 787-6338

NOTES: We spoke on the telephone this morning. May I have your
comments on the attached by the end of today please?

Fax # (306) 787-8338 Phone # (306) 787-7018

Accession/Référence: 609187/890719
File/Dossier: 20-1-2-China

MESSAGE

Align first character of Security Classification under this arrow / Alignez le premier caractère de la Sécurité sous cette flèche

SECURITY / SÉCURITÉ

C O N F I D E N T I A L

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---SSEA STMT ON CHINA

SSEA WILL MAKE FOLLOWING STATMENT TO PRESS 30JUN 1030 EST IN OTT. WE WILL BE PROVIDING IT TO PRC EMB SHORTLY IN ADVANCE AND YOU SHLD INFORM MFA ~~PM YOUR TIME 30JUN~~ THAT STATMENT WILL BE MADE. YOU SHLD OFFER TO PROVIDE TEXT FIRST THING SAT AM YOUR TIME. YOU MAY ALSO OF COURSE SHARE IT WITH MEDIA AND OTHER EMBS SAT AM.

2. ALSO BELOW IS SERIES OF QUESTIONS AND ANSWERS TO BE USED ONLY ON RESPONSIVE BASIS BUT NOT PROVIDED TO MEDIA OR CHINESE.

3. INFO ADDRESSEES SHLD PROVIDE TEXT OF SSEA STMT TO RESPECTIVE MFAS ETC.

4. SSEA STATEMENT QUOTE THESE PAST FEW WEEKS HAVE BEEN TUMULTUOUS ONES IN CHINA AND A GREAT SHOCK TO THE MANY CANADIANS WHO HAVE AN INTEREST IN CHINA AND IN THE RELATIONSHIP BETWEEN OUR TWO PEOPLES.

You are

~~I AM SURE THAT YOU ARE ALL AWARE OF THE GOVERNMENT'S~~

...2/

DRAFTER/RÉDACTEUR	DIVISION/DIRECTION	TELEPHONE	APPROVED/APPROUVÉ
BURCE JUTZI SIG <i>[Signature]</i>	PNR/995-8663	HOWARD BALLOCH SIG <i>[Signature]</i>	<i>[Signature]</i> 001020

PNR1894 PAGE TWO CONF D

REACTION TO JUNE FOURTH, TO THE BRUTALITY OF THE TIANANMEN INCIDENT AND TO THE SUBSEQUENT CAMPAIGN OF REPRESSION UNLEASHED BY THE REGIME IN BEIJING. I ANNOUNCED IN THE HOUSE OF COMMONS ON JUNE 5 A SERIES OF MEASURES THAT CONSTITUTED AN INITIAL RESPONSE TO THOSE EVENTS, AND WE HAVE SUBSEQUENTLY TAKEN A NUMBER OF OTHER STEPS.

- THE VARIOUS MEASURES THAT WE HAVE TAKEN WERE AIMED AT RESPONDING TO THE TIANANMEN MASSACRE, TO THE REPRESSION AND THE EXECUTIONS, TO THE SPECIFICS OF THE EVOLVING SITUATION IN CHINA. WHAT WE HAD NOT DONE, AND NOW ARE DOING, IS RESPONDING WITH ADJUSTMENTS TO CANADIAN POLICIES IN LIGHT OF THE CHANGED CIRCUMSTANCES CREATED BY THE EVENTS IN CHINA.

- CANADIANS FROM MANY WALKS OF LIFE HAVE A STAKE IN OUR RELATIONSHIP WITH CHINA. SOME CANADIANS HAVE TIES OF HERITAGE AND LANGUAGE. ACADEMICS, PROFESSIONALS AND OTHERS HAVE SPENT ENORMOUS PROPORTIONS OF THEIR LIVES LEARNING ABOUT CHINA, ~~DEVELOPING LINKS WITH ACADEMIC OR PROFESSIONAL COUNTERPARTS IN CHINA,~~ AND SHARING THE TRIUMPH AND THE TEARS OF CHINA'S GROWING PAINS. BUSINESS PEOPLE HAVE INVESTED SUBSTANTIAL EFFORT AND RESOURCES - OF THEIR OWN, OF THEIR EMPLOYEES AND OF THEIR STOCKHOLDERS - IN BUILDING BUSINESS RELATIONS WITH CHINA. OUR FARMERS HAVE TURNED THEIR LAND ...3/

PAGE THREE PNR1894 CONF D

INTO A BREADBASKET FOR CHINA, AND TODAY THE CHINA TRADE REPRESENTS CANADA'S LARGEST GRAIN MARKET.

- *So* IT IS ~~THIS~~ NOT SURPRISING THAT THERE HAS BEEN SUCH ~~AN~~ EXTRAORDINARY ~~AMOUNT~~ OF ATTENTION PAID BY CANADIANS TO THE ~~RECENT~~ *Tiananmen Square & its aftermath* EVENTS IN CHINA. AS A COUNTRY WE HAVE A GREAT DEAL INVESTED IN OUR RELATIONSHIP WITH THE PEOPLE'S REPUBLIC *of the 1/4 of the world's pop. that lives there.*

- IT IS PRECISELY BECAUSE OF THIS DIVERSITY OF LEGITIMATE INTERESTS THAT THE GOVERNMENT CONVENED LAST WEEK'S "NATIONAL ROUND TABLE", WHICH BROUGHT TOGETHER INDUSTRIALISTS, ACADEMICS, NON-GOVERNMENTAL ORGANIZATIONS AND REPRESENTATIVES OF THE CHINESE CANADIAN COMMUNITY. THAT ROUND TABLE PRODUCED A VIRTUAL CONSENSUS ON WHERE WE SHOULD BE GOING IN OUR RELATIONSHIP WITH CHINA OVER THE NEXT FEW MONTHS, AND THE FEW DISSENTING VOICES *from that consensus* ARGUED ON POINTS *of* ~~OF RELATIVITY OR~~ TACTICS, NOT ON BROAD OBJECTIVES OR STRATEGY.

- IN ADDITION TO THE NATIONAL ROUND TABLE WE HAVE HAD A SPECIAL SESSION ON CHINA *in the* ~~OF THE~~ HOUSE STANDING COMMITTEE ON EXTERNAL AFFAIRS AND INTERNATIONAL TRADE.

...4/

PAGE FOUR PNR1894 CONF D

- BOTH THE PRIME MINISTER AND I HAVE MET WITH REPRESENTATIVES OF THE CHINESE CANADIAN COMMUNITY, MR. MULRONEY IN VANCOUVER AND I HERE IN OTTAWA. OUR COLLEAGUE THE MINISTER OF EMPLOYMENT AND IMMIGRATION SUBSEQUENTLY MET WITH REPRESENTATIVES OF THAT COMMUNITY IN TORONTO.

- DURING HIS TIME IN OTTAWA, AMBASSADOR EARL DRAKE CONSULTED WITH MR. TURNER AND WITH THE ACTING LEADER OF THE NDP, WITH REPRESENTATIVES OF THE PROVINCES, AND WITH SENIOR OFFICIALS FROM MAJOR DEPARTMENTS AND AGENCIES HAVING INTERESTS IN OUR RELATIONSHIP WITH CHINA.

- WE HAVE HAD A NUMBER OF CABINET MEETINGS ON THE QUESTION AND WE HAVE LISTENED CAREFULLY TO SUGGESTIONS MADE TO US THROUGH LETTERS AND MEDIA COMMENTARY.

- AS A RESULT OF THIS EXTENSIVE CONSULTATIVE PROCESS, WHERE DO WE GO FROM HERE? FIRST OF ALL, I THINK IT IS CLEAR THAT WE CANNOT NOW DETERMINE HOW EVENTS ARE GOING TO UNFOLD IN THE MONTHS AHEAD WITH THE KIND OF PRECISION THAT WOULD ALLOW US TO SET IN STONE THE PARAMETERS AND MILEPOSTS THAT SHOULD GOVERN OUR RELATIONS WITH CHINA OVER THE NEXT SEVERAL YEARS. AT THE SAME TIME, I THINK WE CAN START TO RESPOND TO THE CHANGED CIRCUMSTANCES
....5/

PAGE FIVE PNR1894 CONFD

IN WHICH THAT RELATIONSHIP WILL BE PURSUED AND BEGIN MOVING THE RELATIONSHIP ONTO A NEW FOOTING.

- WE ARE LOOKING FOR A "RELATIONSHIP ADJUSTMENT", WHICH WILL REPRESENT PART OF OUR CONTINUING RESPONSE TO AN EVOLVING SITUATION. SOMETIME IN TWO OR THREE MONTHS THE OUTLOOK MAY BE CLEARER AND WE WILL BE ABLE TO MAKE FURTHER ADJUSTMENTS - PERHAPS BY "THAWING" CERTAIN PARTS OF THE RELATIONSHIP WE HAVE FROZEN, PERHAPS BY CANCELLING SOME OTHER ELEMENTS WE ARE NOW TREATING AS SUSPENDED. I DO THINK THE NATIONAL ROUND TABLE WAS A USEFUL, CONSENSUS-BUILDING, EXERCISE, AND WE MAY WELL HOLD ANOTHER ONE SOMETIME IN THE AUTUMN WHEN THE WAY AHEAD IS A LITTLE CLEARER.

- IN THE MEANTIME, WE ARE NOW TAKING A NUMBER OF FURTHER STEPS TO GIVE EFFECT TO THE CHANGES IN THE CANADA-CHINA RELATIONSHIP IN THE CONTEXT OF THE NEW POLITICAL REALITY IN CHINA.

- ON THE BASIS OF THE RECOMMENDATIONS WE HEARD DURING THE NATIONAL ROUND TABLE, IT IS IMPORTANT TO PUT THESE ADJUSTMENTS IN THE RELATIONSHIP MEASURES INTO THE CONTEXT OF FOUR BASIC PARAMETERS:

- FIRST TIANANMEN SQUARE AND THE SUBSEQUENT CAMPAIGN OF REPRESSION HAVE CHANGED THE RELATIONSHIP BETWEEN CANADA AND

...6/

PAGE SIX PNR1894 CONFD

CHINA. THE CHINESE AUTHORITIES HAVE CALLED FOR "BUSINESS AS USUAL"; THIS CANNOT BE ACCEPTED.

- SECOND, WE VALUE THE FRIENDSHIP BETWEEN OUR TWO PEOPLES - WE HAVE NOT BECOME, AND WILL NOT BECOME, "ANTI-CHINA";

- THIRD, WE MUST TRY TO AVOID MEASURES THAT WOULD PUSH CHINA TOWARDS ISOLATION; AND

- FOURTH, WE SHOULD TRY TO MAXIMIZE THE IMPACT OF WHATEVER MEASURES WE ADOPT VIA A RELATIVELY COORDINATED APPROACH OF LIKE-MINDED COUNTRIES.

- WITH THESE BASIC PARAMETERS IN MIND, WE WILL BE ANALYZING VARIOUS PARTS OF OUR RELATIONSHIP, AND EVENTS AND PROPOSALS THAT COME BEFORE US IN THE MONTHS TO COME, AGAINST CERTAIN CRITERIA THAT HAVE BEEN DESIGNED TO REFLECT THE NEW REALITY IN CHINA:

- FIRST, THE EXISTING LINKS FORGED BY GOVERNMENT, INDUSTRY AND ACADEMICS OVER THE PAST DECADE SHOULD BE PRESERVED TO THE EXTENT POSSIBLE;

- SECOND, NEW INITIATIVES IN THE RELATIONSHIP SHOULD FOCUS ON PEOPLE-TO-PEOPLE EXCHANGES; AND

- THIRD, PROGRAMS WHICH BENEFIT OR LEND PRESTIGE TO THE CURRENT HARDLINE POLICIES OF THE CHINESE GOVERNMENT, MOST PARTICULARLY THE MILITARY OR STATE PROPAGANDA APPARATUS, SHOULD

...7/

PAGE SEVEN PNR 1894 CONFD

BE AVOIDED.

- AGAINST THESE BASIC GROUND RULES, THE SERIES OF FURTHER MEASURES WE ARE ADOPTING AT THIS TIME CONTAIN ADJUSTMENTS TO MOST OF THE BROAD CONSTITUENT PARTS OF OUR RELATIONSHIP.

- AT THE LEVEL OF OUR OVERALL POLITICAL RELATIONSHIP WITH CHINA, WE WILL CONTINUE FOR THE TIME BEING TO DEFER HIGH-LEVEL CONTACTS WITH THE CHINESE GOVERNMENT. WE WILL ALSO CONTINUE TO PURSUE HUMAN RIGHTS ACTIONS IN UN AGENCIES - PARTICULARLY THE ECOSOC AND THE COMMISSION ON HUMAN RIGHTS, AND WE WILL ENHANCE THE HUMAN RIGHTS MONITORING CAPACITY OF OUR EMBASSY IN BEIJING. OTHER POSSIBLE MEASURES WILL BE DISCUSSED AT VARIOUS INTERNATIONAL AND MULTILATERAL EVENTS IN THE MONTHS TO COME.

- THE BENEFITS OF A CERTAIN AMOUNT OF INTERNATIONAL UNISON MAKES IT PARTICULARLY IMPORTANT TO STAY IN TOUCH WITH OUR FRIENDS AND ALLIES IN THE WEEKS AND MONTHS TO COME. THE PARIS SUMMIT WILL BE THE FIRST MAJOR MEETING THAT WILL PERMIT US TO TALK COLLECTIVELY ABOUT HOW TO MANAGE OUR CHINA RELATIONSHIPS, AND WE EXPECT THAT MEETING WILL PROVIDE THE OPPORTUNITY TO CONSIDER THE EXTENT TO WHICH OUR CONCERNS AND RESPONSES ARE SIMILAR. THIS BEING SAID, IT WILL REMAIN IMPORTANT NOT TO PROVIDE GRIST FOR THE ...8/

PAGE EIGHT PNR 1894 CONFD

HARDLINERS' PROPAGANDA MILL IN CHINA IN THE FORM OF A WESTERN "IMPERIALIST" COALITION GANGING UP ON CHINA.

- ON THE DEVELOPMENT ASSISTANCE FRONT, WE INTEND TO WITHDRAW FROM THREE PROJECTS WHICH WE BELIEVE FAIL THE TEST OF THE NEW CRITERIA - PRESERVING LINKS, PEOPLE-TO-PEOPLE EXCHANGES, AND NO SUPPORT FOR THE MILITARY AND PROPAGANDA APPARATUS. THE THREE PROJECTS INVOLVE SUPPORT FOR STATE AUDITOR TRAINING, A LUBE OIL CENTRE, AND URBAN TRAFFIC MANAGEMENT. IN ADDITION WE WILL KEEP ON HOLD FOUR OF THE FIVE AGREEMENTS FOR WHICH THE SIGNINGS WERE POSTPONED IN THE IMMEDIATE AFTERMATH OF THE TIANANMEN INCIDENT. WE WILL, HOWEVER, PROCEED TO SIGN A PROJECT LINKING COMMUNITY COLLEGES WITH THEIR CHINESE COUNTERPARTS. WE WILL ALSO BE SUSPENDING INDEFINITELY ALL ACTIVITY ASSOCIATED WITH THE THREE GORGES PROJECT, AND BE PLACING NEW EMPHASIS ON PEOPLE-TO-PEOPLE EXCHANGES, AND ON AN INCREASED FLOW OF STUDENTS TO CANADA.

- ON THE ECONOMIC FRONT, WE WILL BE PROCEEDING WITH A NUMBER OF ADJUSTMENTS. FIRST, WE WILL HENCEFORTH BE APPLYING THE CRITERIA I OUTLINED WHEN NEW PROJECTS ARE CONSIDERED FOR SUPPORT UNDER THE EDC LINE-OF-CREDIT. WE WILL BE CANCELLING ONE PROJECT - A TELEVISION TRANSMISSION FACILITY - WHICH IS CLEARLY SUPPORTIVE OF CHINA'S STATE PROPAGANDA APPARATUS. ALONG WITH OTHER ...9/

PAGE NINE PNR 1894 CONFD

COUNTRIES, WE WILL BE EXAMINING THE POSSIBILITY OF SUSPENDING FURTHER STREAMLINING AND LIBERALIZATION OF THE COCOM EXPORT CONTROLS AS THEY APPLY TO CHINA, AND WE WILL BE SUSPENDING GOVERNMENT FUNDING FOR PARTICIPATION IN PRC-HOSTED TRADE SHOWS AND EXHIBITIONS FOR THE REMAINDER OF THE YEAR. FINALLY, WE WILL BE DOWNGRADING CANADA'S TRADE REPRESENTATION IN BEIJING IN RESPONSE TO THE CHANGED CIRCUMSTANCES AND IN ANTICIPATION OF AN EXPECTED DOWNTURN IN TRADE ACTIVITY.

- IN THE AREA OF COMMUNICATIONS AND CULTURAL EXCHANGES, WE WILL BE MAKING VERY FEW ADJUSTMENTS. AS A GOVERNMENT WE FEEL IT IS PARTICULARLY IMPORTANT TO SUSTAIN CULTURAL AND PEOPLE-TO-PEOPLE LINKS AT THIS TIME. WE HAVE HAD MANY REQUESTS ABOUT THE VARIOUS TWINNING ARRANGEMENTS AND INSTITUTIONAL LINKAGES THAT EXIST BETWEEN OUR PROVINCES, MUNICIPALITIES AND NON-GOVERNMENTAL ORGANIZATIONS AND THEIR CHINESE COUNTERPARTS. WHAT WE ARE SAYING TO THEM TODAY IS NOT TO CUT THEIR TIES BUT TO REACH OUT TO THEIR COUNTERPARTS, TO THEIR CONTACTS WITH THE OBJECTIVE OF KEEPING THE DOORS OPEN, KEEPING THE EXCHANGES OPERATING AND INFORMATION FLOWING. THE MORE CONTACTS PEOPLE FROM ALL WALKS OF LIFE IN CHINA CAN HAVE WITH THEIR CANADIAN AND OTHER FRIENDS, THE LESS LIKELY THE SUCCESS OF THE ONSLOUGHT OF THE HARDLINE PROPAGANDA MACHINE.

...10/

PAGE TEN PNR1894 CONFD

- AT THE SAME TIME, WE ARE CALLING ON THE CBC TO SUSPEND THEIR BROADCASTING AIDE MEMOIRE ON JOINT PRODUCTION FOR RADIO AND TELEVISION PROGRAMMING WITH CHINESE STATE RADIO, GIVEN THE LATTER'S CURRENT ROLE IN CHINA'S PROPAGANDA EFFORTS.

- AS YOU KNOW, RADIO CANADA INTERNATIONAL ADVANCED BY TEN MONTHS ITS PROGRAM FOR MANDARIN BROADCASTS INTO CHINA, FROM NEXT APRIL TO LAST WEEK, AND WE WILL BE EXPLORING WITH THEM THE POSSIBILITY OF INCREASING THE LENGTH AND THE FREQUENCY OF FUTURE BROADCASTS. WE ARE NOT TALKING HERE OF WESTERN PROPAGANDA, WE ARE TALKING ABOUT THE KIND OF STRAIGHT NEWS AND INFORMATION BROADCASTS THAT ARE STANDARD CANADIAN FARE. WE LEAVE IT TO CHINESE LISTENERS TO MAKE THEIR OWN JUDGEMENTS ABOUT WHAT IS TRUTH AND WHAT IS NOT.

- ON THE IMMIGRATION FRONT, WE HAVE ATTEMPTED TO RESPOND TO INCREASED DEMAND BY BEEFING UP OUR PROCESSING CAPACITY IN BEIJING AND SHANGHAI. WE HAVE TO DATE BEEN GIVING PRIORITY TO STUDENTS, AND TO THE FAMILIES OF STUDENTS AND OTHERS HERE IN CANADA, AND WE WILL BE LOOKING AT FURTHER MEASURES AS THE WEEKS AND MONTHS ADVANCE.

- WITH RESPECT TO CHINESE STUDENTS HERE IN CANADA, THE GOVERNMENT HAS ALREADY TAKEN STEPS TO RESPOND TO THE UNCERTAINTY ...11/

PAGE ELEVEN PNR1894 CONFD

THEY HAVE FELT IN LIGHT OF THE RADICALLY CHANGED ENVIRONMENT IN THEIR HOMELAND.

- I AND MY COLLEAGUES THE MINISTER OF EMPLOYMENT AND IMMIGRATION AND THE MINISTER OF INTERNATIONAL DEVELOPMENT HAVE PREPARED A SERIES OF MEASURES TO ADDRESS THE SITUATION OF CHINESE STUDENTS HERE IN CANADA, THEIR ABILITY TO SUPPORT THEMSELVES WHILE HERE, AND THEIR LONGER-TERM STATUS. WE HAVE EMPHASIZED THAT WE ARE WILLING TO EXTEND STUDENT VISAS FOR A YEAR AND WE HAVE ESTABLISHED MECHANISMS TO ENSURE THAT WORK PERMITS, JOB COUNSELLING SERVICES, AND FINANCIAL SUPPORT WILL BE IN PLACE FOR THOSE WHO NEED IT. AT THE SAME TIME, WE ARE NOT ENCOURAGING CHINESE STUDENTS HERE TO TAKE HASTY DECISIONS. WE ARE NOT PRESSURING THEM INTO DEFINITELY CUTTING THEIR TIES TO CHINA - WE ARE SIMPLY SAYING THAT YOU ARE WELCOME DURING THIS PERIOD OF UNCERTAINTY. IF IN THE END THEY CHOOSE NOT TO RETURN TO CHINA, THEN WE WILL LOOK AT INDIVIDUAL CASES SYMPATHETICALLY, BUT WE CONTINUE TO HOPE THAT THE SITUATION IN CHINA WILL ENCOURAGE THEM TO DECIDE, AT THE END OF THEIR ACADEMIC PROGRAMS, TO RETURN TO CHINA, BRINGING WITH THEM CANADIAN CONCEPTS, CANADIAN WAYS OF DOING THINGS, AND A HEALTHY COMMITMENT TO TRUTH AND THE RULE OF LAW.

...12/

PAGE TWELVE PNR1894 CONFD

- THERE IS SEPARATE PRESS MATERIAL AVAILABLE ON THE PROGRAMS BEING PUT IN PLACE WITH RESPECT TO THE STUDENTS AND SO I DO NOT THINK THERE IS ANY NEED FOR ME TO DELVE INTO THE DETAILS HERE. I MIGHT ADD, HOWEVER, THAT THESE PROGRAMS ARE AN EXCELLENT EXAMPLE OF COOPERATION BETWEEN A VARIETY OF COMMUNITIES HERE IN CANADA, COOPERATION MADE POSSIBLE BY THE CONSULTATIVE PROCESS WE HAVE ADOPTED IN RESPONSE TO THE EVENTS IN CHINA.

 5. RESPONSIVE ANSWERS QUOTE Q: RESPONSE OF OTHER COUNTRIES - IS CANADA TOO FAR AHEAD?

A: INTERNATIONALLY, IT IS CLEAR THAT CANADA HAS BEEN GENERALLY OUT IN FRONT OF THE WESTERN COMMUNITY - NOT FAR IN FRONT, BUT WE HAVE BEEN LEADING NONETHELESS AS THE ONLY COUNTRY TO RECALL ITS AMBASSADOR, THE FIRST COUNTRY TO CONDEMN THE EVENTS IN TIANANMEN SQUARE, THE ONLY MAJOR POWER TO HOLD AN EMERGENCY PARLIAMENTARY DEBATE ON THE CRISIS, AND SO ON.

AT PRESENT THERE DOES NOT SEEM TO BE MUCH VARIANCE BETWEEN WHAT THE MAJOR WESTERN POWERS HAVE BEEN SAYING. WITH US SOMEWHAT IN THE LEAD, ALMOST ALL WESTERN COUNTRIES HAVE CONDEMNED THE MASSACRE, CONDEMNED THE REPRESSION AND THE EXECUTIONS, AND WARNED THAT THEIR RELATIONS WITH CHINA WILL NOT PROCEED UNINTERRUPTED.

...13/

PAGE THIRTEEN PNR1894 CONFD

- THE EUROPEANS HAVE HALTED NEW AID PROJECTS AND SUSTAINED THEIR BAN ON HIGH-LEVEL VISITS, PROMISED TO PUSH THE HUMAN RIGHTS ISSUE, AND HAVE INSTITUTED AN EMBARGO ON ARMS SHIPMENTS.

- THE US ADMINISTRATION, PARTICULARLY CONSCIOUS OF THE RISKS IN PUSHING CHINA TOWARDS THE SOVIET UNION, HAS TAKEN A MODERATE POSITION AND HAS RESISTED CONGRESSIONAL CALLS FOR EXTENSIVE ECONOMIC MEASURES. AT THE SAME TIME, THE U.S. (WHICH DOES NOT HAVE A BILATERAL AID PROGRAM IN ANY CASE) HAS CALLED FOR A CONTINUED SUSPENSION OF NEW LENDING TO CHINA BY THE INTERNATIONAL FINANCIAL INSTITUTIONS - PARTICULARLY THE WORLD BANK AND THE ASIA DEVELOPMENT BANK - AND WE HAVE SUPPORTED THEM IN THIS.

- THE JAPANESE HAVE PUBLICLY STATED THAT THEY ARE RELUCTANT TO TAKE MEASURES, THAT THEY WILL NOT IMPOSE ECONOMIC SANCTIONS.

THE NEW MEASURES WE INTEND TO ANNOUNCE TODAY DO NOT PUT US SIGNIFICANTLY OUT OF STEP WITH OTHER COUNTRIES - IN SOME INSTANCES (HUMAN RIGHTS), OTHERS (EUROPE) HAVE ANNOUNCED STEPS PARALLEL TO THOSE WE ARE INSTITUTING. IN OTHER INSTANCES, WE ARE BEING SLIGHTLY MORE FLEXIBLE THAN SOME OF OUR ALLIES (WE ARE PROCEEDING

...14/

PAGE FOURTEEN PNR1894 CONF D

WITH ONE AID PROJECT SIGNING, WE ARE NOT SUSPENDING ALL ACTIVITY UNDER BILATERAL TECHNICAL AND ECONOMIC AGREEMENTS). THE ESTABLISHMENT OF BASIC PARAMETERS AND GUIDELINES FOR DETERMINING THE COURSE OF THE RELATIONSHIP PUTS OUR RESPONSE ON A CLEARER FOOTING THAN SOME, AND CERTAINLY MAKES IT EASIER TO SUPPORT POLITICALLY.

THE BENEFITS OF A CERTAIN AMOUNT OF WESTERN UNISON MAKES IT PARTICULARLY IMPORTANT TO STAY IN TOUCH WITH OUR ALLIES IN THE WEEKS AND MONTHS TO COME. THE PARIS SUMMIT WILL BE THE FIRST MAJOR MEETING THAT WILL PERMIT US TO TALK COLLECTIVELY ABOUT HOW TO MANAGE OUR CHINA RELATIONSHIPS, AND WE INTEND TO USE THAT MEETING TO PUSH A RELATIVELY COORDINATED APPROACH.

GENERAL/POLITICAL

Q: DO YOU EXPECT ANY QUICK RESULTS FROM YOUR EFFORTS TO PURSUE THE HUMAN RIGHTS ISSUE IN THE UN CONTEXT.

A: NO, BUT I DO NOT THINK THAT THE SPEED OF THE RESULTS SHOULD DOWNPLAY THE POTENTIAL SIGNIFICANCE OF GRADUAL PRESSURE. HAVING THE SITUATION IN CHINA UNDER THE SCRUTINY OF THE VARIOUS UN

...15/

PAGE FIFTEEN PNR1894 CONF D

BODIES INTERESTED IN THESE QUESTIONS SHOULD HELP KEEP ALIVE THE FORCES OF MODERATION AND DEMOCRACY OVER THE MEDIUM TERM, AND KEEP PRESSURE ON THE CHINESE AUTHORITIES TO AVOID FURTHER REPRESSION. IT IS NOT A GUARANTEE OF SUCCESS, BUT IT SHOULD HELP.

Q: WHAT DO YOU MEAN BY "ENHANCE THE HUMAN RIGHTS MONITORING CAPACITY OF THE EMBASSY IN BEIJING"?

A: WE MEAN ENSURING THAT THE EMBASSY HAS THE NECESSARY RESOURCES AND THE APPROPRIATE INSTRUCTIONS TO FOCUS ON HUMAN RIGHTS ABUSES, TO TRY TO KEEP IN TOUCH WITH COMMUNITIES BEING REPRESSED OR PERSECUTED, TO TRY TO VISIT THOSE IN CUSTODY ABOUT WHOM THE INTERNATIONAL COMMUNITY IS CONCERNED, TO TRY TO ATTEND TRIALS, AND SO ON. WE HAVE NO ILLUSIONS THAT THIS IN AND OF ITSELF IS GOING TO REVERSE THE HARDLINE NATURE OF THE CURRENT REGIME; IF WE AND OTHERS KEEP A MONITORING EYE ON DEVELOPMENTS, WE CAN AT LEAST MAKE IT MORE DIFFICULT FOR THE CURRENT REGIME TO GET AWAY INTERNATIONALLY WITHOUT INFORMED CRITICISM OF ITS BEHAVIOUR.

...16/

PAGE SIXTEEN PNR1894 CONFD

TRADE/ECONOMIC

Q: WILL THIS PACKAGE HAVE A SIGNIFICANT NEGATIVE IMPACT ON TRADE?

A: WHILE WE CANNOT ACCEPT THAT THE WORLD SHOULD CONTINUE TO DO "BUSINESS AS USUAL" WITH CHINA, THESE MEASURES DO NOT CONSTITUTE AN ANTI-TRADE OR A TRADE DIVERTING PACKAGE. WE ARE KEEPING THE AID AND EDC PROGRAMS IN PLACE WITH SOME APPROPRIATE MODIFICATION, ENSURING THAT NEW PROJECTS ARE JUDGED AGAINST CLEAR AND SENSIBLE CRITERIA.

THE REAL IMPACT ON TRADE WILL BE THE TURMOIL THAT CHINA HAS UNLEASHED UPON ITSELF DOMESTICALLY, AND THE LOSS OF CONFIDENCE THAT HAS PASSED VERY QUICKLY THROUGHOUT THE INTERNATIONAL BUSINESS AND FINANCIAL COMMUNITIES.

ALREADY CHINA'S AMBITIOUS PLANS FOR ECONOMIC MODERNIZATION WITH THE ASSISTANCE OF WESTERN GOOD-WILL, WESTERN TECHNOLOGY, AND JOINT VENTURES WITH WESTERN FIRMS HAVE SUFFERED SERIOUS SETBACKS AS CHINESE PRESTIGE AND INFLUENCE HAVE PLUMMETED OVER THE LAST FEW WEEKS.

THE MEASURES THAT WE ARE ANNOUNCING TODAY ARE DESIGNED TO
...17/

PAGE SEVENTEEN PNR1894 CONFD

EMPHASIZE THAT, FOR THE GOVERNMENT OF CANADA. IT IS NOT AND CANNOT BE "BUSINESS AS USUAL" WITH CHINA. FOR THAT REASON WE HAVE DECIDED TO SUSPEND, REVIEW, AND IN SOME CASES PLACE ON A NEW FOOTING ELEMENTS OF OUR BILATERAL ECONOMIC RELATIONSHIP. AT THE SAME TIME WE ARE KEENLY AWARE OF THE BENEFITS OF TWO-WAY TRADE WITH CHINA, AND WE ARE CONFIDENT THAT OVER THE LONGER TERM CANADIAN COMPANIES WILL REMAIN RELIABLE AND COMPETITIVE SUPPLIERS OF GOODS AND SERVICES TO CHINA.

Q: WHAT ABOUT PROJECTS CURRENTLY IN EDC'S PIPELINE FOR CHINA?

A: EDC WILL HONOUR COMMITMENTS MADE TO CANADIAN EXPORTERS REGARDING PROJECT FINANCING FOR CHINA. ALL NEW PROJECTS FOR CHINA WILL BE SUBJECT TO NEW SELECTION CRITERIA AIMED AT INSURING THAT CANADIAN PRODUCTS AND TECHNOLOGIES BENEFIT THE CHINESE PEOPLE AND NOT THE MILITARY OR THE PROPAGANDA APPARATUS.

Q: IF WE CONTINUE TO OFFER CONCESSIONAL FINANCING IN CHINA, ARE WE NOT INDICATING THAT IT IS INDEED "BUSINESS AS USUAL"?

A: I HAVE INSTRUCTED OFFICIALS TO BEGIN APPLYING NEW CRITERIA FOR PROJECTS TO BE CONSIDERED FOR FINANCING UNDER EDC'S CHINA LINE OF CREDIT. AS I NOTED AT THE OUTSET, WE WILL BE ESPECIALLY VIGILANT

...18/

PAGE EIGHTEEN PNR1894 CONFD

FOR ANY PROJECT THAT COULD BE OF BENEFIT TO THE MILITARY OR TO THE STATE PROPAGANDA APPARATUS. THIS IS WHY I HAVE MOVED TO CANCEL FINANCING SUPPORT FOR A PROPOSED TV TOWER.

Q: HAVE CANADIAN FUNDS BEEN USED IN THE PAST TO FINANCE PROJECTS DESTINED FOR THE MILITARY OR THE PROPAGANDA APPARATUS?

A: I AM CONFIDENT THAT OUR SYSTEM OF EXPORT CONTROLS HAS WORKED TO PREVENT THIS. WE MUST BE AWARE, HOWEVER, THAT IN THE AFTERMATH OF THE TIANANMEN MASSACRE, THE MILITARY AND THOSE RESPONSIBLE FOR PROPAGANDA HAVE ADOPTED NEW AND MORE AGGRESSIVE ROLES, MEANING THAT WE WILL HAVE TO EVEN MORE VIGILANT TO AVOID LENDING THEM ANY SUPPORT.

Q: OUR LINE OF CREDIT WITH CHINA INCLUDES A \$350 MILLION CONCESSIONAL PORTION. WILL WE ALLOW CHINA TO DRAW THE ENTIRE AMOUNT DOWN?

A: I HAVE STATED THAT FUTURE PROJECTS UNDER OUR LINE OF CREDIT FOR CHINA WILL BE SUBJECT TO NEW SELECTION CRITERIA. FURTHER, IT IS NOT YET CLEAR WHETHER PROJECTS IN CHINA WILL BE DELAYED OR DEFERRED DUE TO CHANGING ECONOMIC OR POLITICAL CIRCUMSTANCES.

...19/

PAGE NINETEEN PNR1894 CONFD

Q: WON'T SUSPENDING FUNDING FOR TRADE SHOWS IN CHINA HURT CANADIAN COMPANIES MORE THAN IT DOES THE CHINESE?

A: WE HAVE HAD TO REASSESS THE POLITICAL AND ECONOMIC FACTORS THAT UNDERLIE OUR BILATERAL RELATIONSHIP WITH CHINA. AS A GOVERNMENT, WE HAVE TO REVIEW OUR DIRECT PARTICIPATION IN TRADE PROMOTION IN CHINA. WE DO NOT WANT TO LEND CREDENCE TO A VIEW THAT IT IS "BUSINESS AS USUAL". FURTHER, WE HAVE TO REASSESS TRENDS IN THE CHINESE ECONOMY AND REVIEW MARKETING PLANS WITH CANADIAN COMPANIES. SO THERE ARE ALSO SOUND PRACTICAL REASONS FOR A SUSPENSION OF TRADE SHOW ACTIVITIES THIS YEAR.

Q: WILL WE ALLOW CHINESE ORGANIZATIONS TO PARTICIPATE IN SHOWS AND EXHIBITIONS IN CANADA.

A: WE HAVE ALREADY MOVED TO SUSPEND HIGH-LEVEL OFFICIAL CONTACTS BETWEEN CANADA AND CHINA. WHERE EVENTS ARE SPONSORED OR ORGANIZED BY THE PRIVATE SECTOR, IT IS UP TO THE INDIVIDUAL SPONSORS TO DECIDE. I WOULD LIKE TO REITERATE HERE THAT WE ARE NOT ANTI-CHINA, AND THAT WE STILL WANT TO ENCOURAGE FRIENDLY LINKS BETWEEN OUR TWO PEOPLES.

...20/

PAGE TWENTY PNR1894 CONFD

Q: WILL CANADA MOVE TO RESTRICT THE FLOW OF TECHNOLOGY TO CHINA BY INCREASING THE RANGE OF PRODUCTS COVERED BY EXPORT CONTROLS?

A: I HAVE STATED THAT CANADA WILL SUSPEND ITS EFFORTS TO FURTHER STREAMLINE PROCEDURES FOR THE TRANSFER OF HIGH TECHNOLOGY TO CHINA, AND THAT WE WILL NOT MOVE FORWARD WITH FURTHER LIBERALIZATION OF THE RANGE OF TECHNOLOGIES THAT CAN BE EXPORTED TO CHINA. THIS IS AN AREA WHERE WE WORK VERY CLOSELY WITH OUR ALLIES TO INSURE THAT OUR RESPONSE IS COORDINATED AND EFFECTIVE. WE WILL BE CONSULTING CLOSELY WITH THEM ON THIS.

Q: WHAT IMPACT WILL DOWNGRADING YOUR TRADE REPRESENTATION IN BEIJING HAVE?

A: THIS IS A LOGICAL STEP GIVEN THAT SOME OF THE OTHER TRADE-RELATED MEASURES I HAVE ANNOUNCED WILL REDUCE THE AMOUNT OF GOVERNMENT-SPONSORED TRADE PROMOTION ACTIVITY IN THE IMMEDIATE FUTURE. IT ALSO ALLOWS US TIME TO ASSESS THE LEVEL OF COMMERCIAL ACTIVITY IN CHINA IN THE WAKE OF RECENT EVENTS.

Q: WHAT POSITIONS WILL YOU ELIMINATE?

A: THESE ARE ESSENTIALLY PERSONNEL QUESTIONS, AND I WOULD RATHER
...21/

PAGE TWENTY ONE PNR1894 CONF D

WAIT UNTIL WE HAVE HAD A CHANCE TO ADVISE THE INDIVIDUALS INVOLVED BEFORE GOING INTO THAT.

COMMUNICATIONS AND CULTURE

Q: WHAT WILL BE THE IMPACT OF CBC SUSPENDING THE BROADCASTING AIDE MEMOIRE? WHY IS THE MEDIA BEING SINGLED OUT?

A: THE CALL TO THE CBC TO SUSPEND THEIR AIDE MEMOIRE IS BEING MADE BECAUSE OF WHAT THEIR PARTNERS IN THE JOINT PRODUCTION ARRANGEMENT REPRESENT TODAY. STATE RADIO AND TELEVISION IN CHINA HAS BECOME AN INSTRUMENT OF PROPAGANDA AND INTIMIDATION, AND WE SIMPLY DO NOT BELIEVE IT WOULD BE APPROPRIATE FOR CANADA'S NATIONAL RADIO AND TELEVISION SERVICES TO BE COOPERATING WITH THEM AT THE CURRENT TIME.

Q: DO YOU BELIEVE THAT SUSTAINING THE TWINNING ARRANGEMENTS AND USING CONTACTS THROUGH THEM TO KEEP THE TRUTH ALIVE IS REALLY VERY VIABLE GIVEN THE STRENGTH OF THE CHINESE PROPAGANDA MACHINE?

A: WE CAN ONLY HOPE. WE OF COURSE DO NOT EXPECT IMMEDIATE RESULTS - WHAT WE ARE INVESTING IN HERE IS CONTACTS WITH LATENT FORCES OF ...22/

PAGE TWENTYTWO PNR1894 CONFD

MODERATION THAT WILL PAY OFF IN THE MEDIUM TO LONGER TERM.

IMMIGRATION

Q: ARE YOU CONSIDERING INCREASING THE NUMBER OF IMMIGRANTS FROM HONG KONG AS A RESULT OF THIS CRISIS?

A: CANADA HAS FOR A NUMBER OF YEARS BEEN A FAVOURED DESTINATION FOR HONG KONG EMIGRANTS. THE RECENT UNREST IN CHINA HAS RESULTED IN A HEIGHTENED INTEREST IN TERMS OF INQUIRIES AND REQUESTS FOR APPLICATION FORMS.

WE DO NOT BELIEVE THAT IT WOULD BE APPROPRIATE TO MAKE ANY ADJUSTMENTS TO OUR IMMIGRATION PROGRAM IN HONG KONG AT THE CURRENT TIME. WE WILL CONTINUE TO DO OUR BEST TO RESPOND TO ALL APPLICATIONS AND TO MINIMIZE THE BACKLOGS AND THE DELAYS, WHICH ARE CLEARLY BEING EXACERBATED BY RECENTLY INCREASED DEMAND.

IF THE SITUATION IN THE COLONY BECOMES INCREASINGLY TENSE OVER TIME, WE PRESUME THAT THE UNITED KINGDOM WOULD HAVE TO EXAMINE VERY CAREFULLY THE OPTIONS OPEN TO IT. IN THE FIRST INSTANCE, THIS IS AN ISSUE FOR THE COLONY ITSELF, FOR CHINA AND ...23/

PAGE TWENTYTHREE PNR1894 CONFD

FOR THE UNITED KINGDOM TO ADDRESS. CANADA WOULD OF COURSE BE WILLING TO DISCUSS ITS ROLE IN THE CONTEXT OF AN APPROPRIATE INTERNATIONAL RESPONSE, BUT I CONTINUE TO HOPE THAT THE COMING MONTHS WILL SEE A CALMING OF CURRENT NERVOUSNESS.

GENERAL

Q: DO ANY OF THESE MEASURES HAVE ANY IMPACT WHATSOEVER ON CHINA?

A: THE CURRENT EFFORTS OF THE CHINESE GOVERNMENT TO PRETEND THAT CHINESE FOREIGN RELATIONS ARE UNCHANGED BY RECENT EVENTS, THAT WESTERN COUNTRIES AND BUSINESSES SHOULD NOW RETURN TO A "BUSINESS AS USUAL" MODE, BEAR TESTIMONY TO THE FACT THAT THEY ARE WORRIED. THEY ARE WORRIED THAT THE WARINESS OF THE OUTSIDE WORLD WILL TRANSLATE INTO A MARKED DECLINE IN FOREIGN INVESTMENT AND ECONOMIC COOPERATION THAT WILL SERIOUSLY IMPEDE AMBITIOUS MODERNIZATION PLANS.

THE EVENTS OF TIANANMEN SQUARE, THE SUBSEQUENT CAMPAIGN OF REPRESSION AND THE REVVING-UP OF THE STATE PROPAGANDA MACHINE HAVE TARNISHED CHINA'S IMAGE TERRIBLY. REMARKABLE DIPLOMATIC AND PUBLIC RELATIONS ACHIEVEMENTS OVER THE LAST FEW YEARS IN GARNERING BROAD
...24/

PAGE TWENTYFOUR PNMR1894 CONFD

POPULAR SUPPORT IN CANADA AND OTHER WESTERN COUNTRIES HAVE GONE UP IN SMOKE VIRTUALLY OVERNIGHT.

THE PROTESTATIONS WE ARE HEARING IN BEIJING THAT CHINA WILL NOT BE COWED BY FOREIGN PRESSURE ARE CLEARLY TEMPERED BY THE REALISATION THAT VIABLE FOREIGN ECONOMIC TIES, WHICH ARE PREREQUISITE TO ACHIEVING MODERNIZATION GOALS, HAVE BEEN SERIOUSLY DAMAGED BOTH BY THE RESPONSE OF FOREIGN GOVERNMENTS AND BY THE HEIGHTENED RISK THAT THE BUSINESS AND BANKING COMMUNITY SEE IN DOING BUSINESS WITH CHINA.



MEMORANDUM

Gordon
please CABINET DU
SECRETÉNAIRE D'ÉTAT AUX AFFAIRES EXTÉRIEURES
speaks

Yrb

To
À PNR

From
De Roy Norton/MINA

Reference
Référence

Subject
Sujet RE: ATTACHED

Security
Sécurité UNCLASSIFIED

Date June 29, 1989

Mr. Clark commented:

"Howard Balloch is doing something specific using the twinning arrangement. It is an excellent idea. Check with Howard to ensure coordination."

Roy Norton,
Policy Advisor to The
Right Honourable Joe Clark

RETURN TO RENOYER AU	BICO	FOR FILING POUR - ETRE PORTE AU DOSSIER
ACC	REF	DATE
FILE	DOSSIER	
<i>20-1-2-China</i>		
<i>CPAS</i>		

14 JUNE, 1989

TO: LEO DUGUAY
CC: SSEA
PAUL FRAZER
JIM JUDD
ROY NORTON

FROM: WENDY ORR

RE: CHINA RESPONSE

SSEA RECEIVED A CALL FROM MAYOR R. (BOB) M. MORROW OF HAMILTON. HE WANTED US TO KNOW THAT SSEA IS DOING EVERYTHING RIGHT WITH RESPECT TO CHINA. HE ALSO WANTED HIM TO KNOW THAT OUR OFFICIALS IN BEIJING AND SHANGHAI AND HONG KONG HAD DONE AN EXCELLENT JOB WHEN HE VISITED CHINA IN APRIL.

MAYOR MORROW SUGGESTS THAT SSEA ADVISE THOSE LARGER CITIES WHO ARE TWINNED WITH CITIES IN CHINA ON WHAT THEY SHOULD DO. HIS OWN CONTRIBUTION IS THAT HE FEELS THAT IT IS A PEOPLE TO PEOPLE AND COMMUNITY TO COMMUNITY RELATIONSHIP, RATHER THAN GOVERNMENT TO GOVERNMENT. ONE WAY WE COULD COMMUNICATE WITH THEM WOULD BE TO USE THE FEDERATION'S EXECUTIVE DIRECTOR HERE IN OTTAWA, JIM KNIGHT. THEIR EXISTING COMMUNICATIONS SYSTEM COULD HANDLE THIS PROJECT FOR US. I DO NOT THINK IT SHOULD BE RESTRICTED TO THOSE CITIES WITH TWINS IN CHINA - EVERYONE SHOULD RECEIVE THE SAME INFORMATION.

THIS COULD BE A USEFUL CHANNEL FOR US IN DISSEMINATING INFORMATION AND BROADENING OUR BASE OF DIRECT CONTACT WITH COMMUNITIES IN SITUATIONS LIKE THIS.

ATTACHED IS A COPY OF A LETTER I HAVE DRAFTED FOR THE SSEA'S SIGNATURE.

PLEASE ADVISE IF YOU TAKE ANY ACTION.

Wendy Orr

*Handled
3/11/89
by something
in the way
of financial
management.
to an
excellent
level. Check
it over
to ensure
accuracy.*

File W

<p align="center"> <u>AGENCE CANADIENNE DE DÉVELOPPEMENT INTERNATIONAL</u> <u>CANADIAN INTERNATIONAL DEVELOPMENT AGENCY</u> </p>
<p align="center"> DIRECTION GÉNÉRALE DES AFFAIRES PUBLIQUES PUBLIC AFFAIRS BRANCH </p>
<p align="center"> NUMÉRO DE NOTRE FAX / OUR FAX NUMBER: (819) 953-4935 </p>

A/TO: *Gordon Holden*

NUMÉRO DE FAX/
FAX NUMBER: *996-4309*

DE / FROM: *J-M Emery*
AFFAIRES PUBLIQUES / PUBLIC AFFAIRS

SUJET / SUBJECT: *Chim*
Draft per release (bilingual)

NOMBRE DE PAGE/
NUMBER OF PAGES: *4 following*

REMARQUE / NOTE:

DATE: *28/6/89*
HEURE / TIME: *15:43*

RETURN TO RENOYER AU	BICO	FOR FILING POUR - ETRE PORTE AU DOSSIER
ACC	REF	DATE
FILE	DOSSIER	
<i>2012 Chim</i>		
<i>CPA5</i>		

Si y a des problèmes avec cette transmission, veuillez téléphoner à
Josée Lamoureux, Affaires Publiques (819) 953-6060

If there are any problems with this transmission, please telephone
Josée Lamoureux, Public Affairs (819) 953-6060

EBAUCHE / DRAFT

Document BCEI2a. eng

JOE CLARK AND MONIQUE LANDRY ANNOUNCE A \$1.5 MILLION ASSISTANCE PROGRAM FOR CHINESE STUDENTS IN CANADA

OTTAWA--The Secretary of State for External Affairs, the Right Honourable Joe Clark and External Relations and International Development Minister, the Honourable Monique Landry, today announced a series of measures taken by the Government of Canada to assist Chinese students in Canada.

They said that the Federal Government, through the Canadian International Development Agency (CIDA), is prepared to make up to \$1.5 million available to launch a national initiative to assist Chinese students in Canada. Up to \$1 million will be used to establish a National Coordination Office headed by the Canadian Bureau of International Education (CBIE) in partnership with the Chinese Canadian National Council (CCNC). It will provide Chinese students with information, counselling and referral services as well as emergency financial assistance.

"These services will be given to the strictest confidentiality, to ensure the security of the students who need assistance," Joe Clark stressed.

CBIE and CCNC will work together to mobilize resources across Canada, drawing on the support from their respective networks and reaching out to communities, institutions, provincial governments, non-governmental organizations, and business.

Mrs. Landry said that CIDA will provide \$300,000 to an

emergency fund to be administered by the National Coordination Office. "I hope Canadians across the country will also respond generously to help Chinese students meet their needs".

CIDA will allocate \$200,000 for an automatic blanket extension for three months to pay tuition fees and living expenses of CIDA-sponsored Chinese students in Canada whose training was to end over the summer months.

"The Federal Government has acted with leadership and generosity in response to the urgent needs of the Chinese students in Canada, Mr. Clark said.

CBIE is a national organization, whose objectives are to assist foreign students in Canada, provide them with information and give them emergency financial support. It draws on a network of 150 centres in universities and colleges across Canada.

CCNC is an association with a network of 27 chapters across Canada. It promotes understanding and cooperation between Chinese Canadians and all other ethnic, cultural and racial groups in Canada.

A toll-free line (1-800-267-1299) has been installed to allow students to get more information.

- 30 -

For further information, contact:

Andrée Corriveau

Jean-Marc Emery

BEAUCHE \ DRAFT \ BEAUCHE \ DRAFT
Document: BCEI2a.fra

JOE CLARK ET MONIQUE LANDRY ANNONCENT UN PROGRAMME D'ASSISTANCE
DE \$1,5 MILLION POUR LES ETUDIANTS CHINOIS AU CANADA.

OTTAWA--Le secrétaire d'Etat aux Affaires extérieures, le très honorable Joe Clark et la ministre des Relations extérieures et du Développement international, l'honorable Monique Landry, ont annoncé aujourd'hui les mesures prises par le gouvernement du Canada pour venir en aide aux étudiants chinois au Canada.

Ils ont indiqué que le gouvernement fédéral, par le biais de l'Agence canadienne de développement international (ACDI), est prêt à allouer jusqu'à \$1,5 million pour lancer une initiative nationale à l'intention des étudiants chinois au Canada. On affectera jusqu'à \$1 million pour l'établissement d'un Bureau de coordination nationale qui sera sous la direction du Bureau canadien d'éducation internationale (BCEI), lequel travaillera conjointement avec le Conseil national des Canadiens chinois (CNCC). Ce Bureau fournira aux étudiants chinois des renseignements, des conseils et des services de référence ainsi qu'une assistance financière d'urgence.

«Ces services seront donnés dans la plus stricte confidentialité pour assurer la sécurité des étudiants qui ont besoin d'aide,» a précisé Joe Clark.

Le BCEI et le CNCC travailleront de concert pour mobiliser des ressources dans tout le Canada et par l'intermédiaire de leurs réseaux respectifs, ils s'efforceront d'informer et de sensibiliser les communautés, institutions, gouvernements



1/5 MESSAGE *PNR*

Accession/Référence
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SECURITY / SÉCURITÉ: **C O N F I D E N T I A L FACSIMILE TRANSMISSION**

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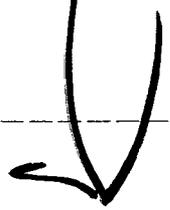
REF: ---CABINET CONSIDERATION OF CHINA

SUBJ/SUJ: ATTACHED IS PACKAGE APPROVED BY CCFDP, WHICH WILL BE EXAMINED BY CABINET TOMORROW. YOU MAY DISCUSS THIS PACKAGE WITH STATE ON **CONFID BASIS.**

2.COMCENTRE PLS FAX ATTACHED FIVE PAGES.

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GORDON HOULDEN SIG <i>[Signature]</i>	PNR	996-0980	HOWARD BALLOCH SIG <i>[Signature]</i>

2/5 -1-

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POLICY MEASURES TO GUIDE CANADA-PRC RELATIONS

PACKAGE APPROVED BY CCFDP

BASIC PARAMETERS

- NOT "RELATIONS AS USUAL", NOT "BUSINESS AS USUAL"
- VALUE CANADA-CHINA FRIENDSHIP - NOT "ANTI-CHINA"
- AVOID MEASURES THAT WOULD PUSH CHINA TOWARDS ISOLATION
- MAXIMIZE IMPACT VIA RELATIVELY COORDINATED APPROACH OF WESTERN GROUP (Canada has generally led the western response and is thus already marginally exposed)

CRITERIA TO GOVERN FURTHER DECISIONS IN RELATIONSHIP

- AVOID FUNDAMENTAL DAMAGE TO EXISTING LINKS FORGED BY GOVERNMENT, INDUSTRY AND ACADEMICS OVER THE PAST DECADE
- FOCUS NEW INITIATIVES ON PEOPLE TO PEOPLE EXCHANGES
- AVOID PROGRAMS WHICH BENEFIT OR LEND PRESTIGE TO THE CURRENT REGIME, MOST PARTICULARLY THE MILITARY OR STATE PROPAGANDA APPARATUS

PACKAGE OF MEASURES

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GENERAL/POLITICAL

Measures taken to date

- Strong public condemnation of Tiananmen massacre, subsequent crackdown
- Emergency debate in the House of Commons
- Calling in of PRC Ambassador (three times)
- Freeze on high-level visits
- Suspension of defence cooperation program
- Letter of PM to Secretary General of UN
- Temporary recall of Ambassador Drake

Proposed new measures

- Pursue human rights actions in UN agencies - particularly the ECOSOC and the Commission on Human Rights
- Enhanced human rights monitoring capacity of Embassy (new position)
- Discuss issue at Paris Summit

DEVELOPMENT ASSISTANCE

Measures taken to date

- Postponement of the signing of five new development assistance agreements
- A statement of willingness to provide humanitarian assistance if requested
- Support for a USA-led postponement of new loan consideration in the IBRD and the ADB

415

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Proposed new measures

- Cancel three projects (state auditor training, lube oil centre, urban traffic management)
- Keep four of five pending MOUs on hold, proceed to sign project linking community colleges with their Chinese counterparts
- Suspend indefinitely all activity associated with Three Gorges project
- Place new emphasis on people-to-people exchanges, encourage increased flow of students to Canada

ECONOMIC/TRADE

Measures taken to date

- Suspension of nuclear cooperation consultations

Proposed new measures

- Apply new criteria in consideration of new projects under EDC line-of-credit, cancel one project which is clearly supportive of state propaganda apparatus (Shanghai TV tower),
- Suspend process of COCOM streamlining and of process of liberalization
- Suspend government funding for participation in trade shows and exhibitions in the PRC (those remaining this year: Energy Show, Oil and Gas Show, China Paper)
- Downgrade trade representation in Beijing (eliminate three officers, possibly reduce level of program manager from Minister to Counsellor)

COMMUNICATIONS AND CULTURE

Measures taken to date

- Cancellation of a series of cultural events planned for June, early July
- Commencement of Radio Canada International's daily Mandarin

broadcast service (advanced to June 20th from April, 1990)

Proposed new measures

- Call on CBC to suspend Broadcasting Aide Memoire (joint production for radio and TV)
- "China Outreach" program as a medium for passing our positive message through provinces, municipalities, NGOs
- Increase length and frequency of RCI broadcasts into China

IMMIGRATION

Measures taken to date

- A program of support for Chinese students in Canada, including a one-year extension of visas, work permits, establishment of a national coordinating structure for ongoing support
- Accelerated immigration procedures for members of the "family class" adversely affected by the situation, facilitative measures for relatives of students in Canada
- Indefinite suspension of all removals (deportations) to China under the Immigration Act
- Strengthening of our immigration and visa processing staff in Beijing, addition of immigration officer to Shanghai

Proposed new measures

- Expand the program in China for "assisted relatives"
- Increase frequency of immigration processing visits to Guangzhou
- Manage increased demand from Hong Kong without substantially increasing intake, at least for time being

P R O T E C T E D

FM PEKIN WJTD0704 28JUN89

TO EXTOTT PNC

INFO CIDA/HULL/BSC

DISTR PNR TCM EEE

REF CIRTELS WJTD0417 12APR WJTD1902 02MAY

---WEC 89 SPONSORSHIP PROGRAMME (NC 63-7-1/DH)

IN LIGHT OF CURRENT REVIEW OF STANCE OF CDN GOVT VIS-A-VIS PROGRAMMES IN PRC, WE WONDER IF ANY CHANGE IN PROCEDURE SHOULD BE CONSIDERED RE SUPPLEMENTARY INVITATIONS.

2. BACKGROUND CAN BE FOUND IN POST REFTELS FOR WHICH PNC WAS INFO ADDRESSEE. COMPROMISE SOLUTION TO CONCERN EXPRESSED IN PARA 3 OF REFTEL 0417 WAS THAT INVITATIONS WOULD BE EXTENDED THROUGH MIN OF ENERGY. THIS WOULD RESPECT CHINESE PREROGATIVE IN SELECTING DEL PLUS SUPPLEMENTARY DELEGATES WHO WOULD BE FINANCED THRU CIDA/SMALLRIDGE PROGRAMME. EVENTS SINCE EARLY MAY HAVE INTERFERED WITH PURSUING THIS COURSE. ARE NOW READY TO DO SO (INVITATIONS ARE IN HAND). FRANCINE LEVESQUE OF SMALLRIDGE AND ASSOCS OR TCM CAN INDICATE NAMES AND TITLES. ANY OBJECTION?

CCC/302 280406Z WJTD0704

At Fuley

- spoke to Childs along line of decision this am.

- private visit - no calls on Min

- Mulroney worried Quebec will not cooperate.

②

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**canadian national committee
world energy conference**



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Chairman: Dr. E.P. Cockshutt
Past Chairman: Mr. H. Booth
First Vice-Chairman: Mr. A.R. Campbell
Second Vice-Chairman: Mr. A. Taylor
Executive Director: Dr. C.H. Smith

*Chills
995-2809*

Suite 305
130 Albert Street
Ottawa, Ontario
K1P 5G4

Telephone: (613) 993-4624
Fax: (613) 993-7679

Date: *June 23, 1989*

TELECOPY

TO FAX NO: *992-1405*
TO: *Gil Winstanley*
COMPANY: *International Energy / EMR*
CITY: *Ottawa*

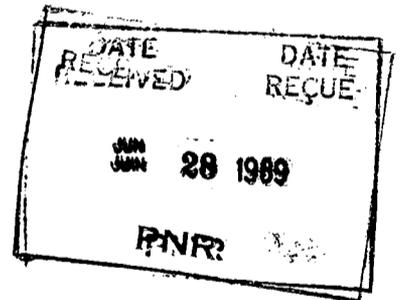
FROM: Charles H. Smith No. of Pages: *2*
CANWEC
FAX: 993-7679

Re China; for your information.

CMS

*cc Greg
Hilary Childs / EEE.*

+ return GW



14th Congress - World Energy Conference - Montreal - September 1989
14^e Congrès - Conférence mondiale de l'énergie - Montréal - Septembre 1989

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Mr
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NO:0179
ATT:MR. J. LINDSAY
SECRETARY GENERAL
CC: MR. POSTER CHAIRMAN, IEC, WEC
THE CHINESE DELEGATION OF 36 PERSONS CHAIRED BY MR. HUANG
YICHENG, MINISTER OF ENERGY AND MR. YE QING, VICE CHAIRMAN OF STATE
PLANNING COMMISSION AS VICE CHAIRMAN WILL ATTEND THE 14TH WORLD
ENERGY CONFERENCE. IN VIEW OF THE DELEGATES FROM MORE THAN TEN UNITS
AND THE THE RECENT SITUATION IN BEIJING, THE NOMINATION FROMS COULD
NOT BE SENT IN TIME, BUT WILL BE MAILED AS LATE AS 20 JUNE. TKS FOR YR
COOPERATION.
THE CHINNESE MEMBER COMMITTEE IS NOW UNDER RECONSTRUCTION. YOU WILL BE
INFORM OF THIS CHANG ASAP.
REP MY LETTER DATED 4 APR. 1989, PLS TLX CONFIRMATION OF RECEIPT OF OUR
BANK DRAFT OF I.E.C. SUBMITION FOR 1989.
JIA YUNZHEN DEPUTY DIRECTOR
DEPT. OF INTERNATIONAL COOPERATION
MINISTRY OF ENERGY
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File/Dossier
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SUBJ/SU	REF TELCON JUDD\HOULDEN 27 SEP		
	<p>---DRAFT REPLY TO NAP RECOMMENDATIONS</p> <p>ENCLOSED FIND DRAFT REPLY TO NAP RECOMMENDATIONS WITH DOCUMENTATION FROM NAP ON NATL EMERGENCY SUPPORT FOR CHINESE STUDENTS AND SUGGESTED RESPONSE TO RECOMMENDATIONS FROM CIDA.</p> <p>COMCENTRE PLEASE SEND ATTACHED BY FAX. (18 PAGES)</p>		

DRAFTER/RÉDACTEUR	DIVISION/DIRECTION	TELEPHONE	APPROVED/APPROUVÉ
MICHELE KOVANCHAK	PNR	992-8530	GORDON HOULDEN
SIG			SIG <i>Gordon Houlden</i> 001059

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2/19

OTTAWA, ONTARIO
K1A 0G2

Dear Mr. Chong:

I would like to commend the National Advisory Panel on Support Measures for the Chinese Student, for the recommendations it submitted following its July 27, 1989, meeting. The Canadian Government appreciates the help and advice you have provided with regard to its support measures for Chinese students in Canada. Your recommendations, as submitted to the Honourable Monique Landry, Minister for External Relations and International Development during your August 28 meeting, have been carefully considered.

The Canadian Government is in agreement with the thrust of your recommendations and will ensure that they are followed up on. Specifically, with regards to your recommendation that the federal government facilitate the change in status from that of refugee to permanent resident for those students who so desire, Canadian Employment and Immigration Canada (CEIC) has already advised their officers to do so. CEIC officials have further indicated to us that it is not part of their procedure to stamp Chinese students' passports in any way which would disclose their intention to seek permanent residence or refugee status.

The federal government has sought to ensure uniform immigration procedures and expeditious processing of applications across the country. The CEIC has contacted its offices across the country to follow up on this.

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- 2 -

The federal government agrees with your recommendation that we make every effort to facilitate and expedite the self-sufficiency of Chinese nationals in Canada. As soon as they obtain an agreement in principle for permanent residence, students have a work permit and access to job placement services offered by CEIC through their offices across Canada. The latest figures from CEIC indicate that as of August 18, 1989, 4200 of the 4800 estimated Chinese student population in Canada had obtained their agreement in principle.

The Canadian Bureau for International Education (CBIE), through the National Emergency Support Program I approved in June, will assist the Chinese students in their search for financial assistance by gathering and providing information on financial assistance programs available. In partnership with the Chinese Canadian National Council (CCNC), CBIE will also work with the provinces and the local communities to encourage the mobilization of resources to assist the students who want to pursue their studies.

Further, close monitoring and review of the assistance programs is being done by the CIDA China desk. For example, when the use of the information hot lines substantially diminished, those that were no longer required were removed.

You also suggested that the federal government request the provinces to provide a contribution matching the federal support, to defer differential fees and health insurance fees levied on Chinese students, provide access to health care and social assistance and provide reasonable support for the continuation of the studies pending the result of the immigration proceedings. I wish to assure you that I shall contact the provinces outlining the recommendations of the National Advisory Panel and encouraging the provinces to provide support.

Once again, I would like to extend our appreciation of the work the National Advisory Panel has done on the subject of Canadian support for the Chinese students in Canada.

Yours sincerely,

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MEMORANDUM

4/19

DATE: August 11, 1989

TO: Monique Landry, Minister for External Relations

FROM: Gordon Chong, Founding Director, Federation of Chinese Canadian Professionals

RE: APPROVED MINUTES AND RECOMMENDATIONS of July 27 meeting of the National Advisory Panel to the National Emergency Support for Chinese Students Program

Please find enclosed the documentation from the National Advisory Panel on the National Emergency Support for Chinese Students. I would be pleased to discuss the recommendations with you at a mutually convenient time.

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5/19

NATIONAL ADVISORY PANEL

SUMMARY OF MEETING - JULY 28, 1989

Present

Members: Lewis Chan, President,
Canadian Ethnocultural Council
Gordon Chong
Winnie Law, Executive Assistant,
for R.Q. Phillips, China-Canada Trade Council
Jim Matkin, President,
Business Council of British Columbia
Lucien Perras, Former President, Council of
Ministers of Education of Canada
William Saywell, President,
Simon Fraser University

Observers: Stéphane Cardinal, Lavalin Formation Inc.
Elizabeth Racicot, CIDA

Resource Jim Fox, Executive Director,
Canadian Bureau for International Education
Lorraine Bélisle, Director of Services,
Chinese Student Secretariat
Tin Yap, Public Relations Director,
Chinese Student Secretariat
Lynn Johnston,
Director of Finance and Administration,
Canadian Bureau for International Education
Laura Sears, Recording Secretary,
Chinese Student Secretariat

Jim Fox opened the meeting with a short introduction of the Canadian Bureau for International Education (CBIE), then gave members a chance to introduce themselves. The chair was then selected. Gordon Chong moved that William Saywell preside as chair. Saywell declined, then nominated Chong who accepted the position.

Jim Fox presented a brief summary of the situation facing Chinese students in Canada following the events of June 4:

1. the Honourable Barbara MacDougall announced accommodating immigration regulations which are detailed in the background documents;
2. the Right Honourable Joe Clark announced the creation of the National Emergency Support Program, including this National Advisory Committee;

3. the students themselves recently held an organizational meeting in Winnipeg, leading to the establishment of a Chinese Student Federation.

Each of these steps has produced some results:

- The Emergency Support program has responded to more than 3 000 enquiries, mostly relating to immigration;
- About 30 Chinese nationals have received emergency funding; Turnaround - 48 hours
- Five institutions have had requests for service enhancement funding approved. Only one request was not approved;
- Networks have been activated through CCNC and other organizations across Canada to assist in counselling, job placement, emergency funding, and voluntary professional services including medical care.

The immigration accomodations have resulted in:

- o about 4 500 of the 8 000 Chinese nationals, the majority probably students, initiating processes to become permanent residents or refugees.
- o More than 2 200 Chinese nationals, mostly in Ontario, have made refugee claims. Another 2 200 have applied for permanent residence. Students have expressed a preference for permanent residence on humanitarian and compassionate grounds, since claiming refugee status makes a political statement.

The creation of a student federation has resulted in a mechanism which gives the students an organized voice. A representative of the coordinating office attended the initial conference.

Overall, the situation seems to be clarifying in the following ways:

1. Students apparently are getting the information they need to decide on the immigration options available to them. Most have decided.

2. Based on applications for Emergency Funding to date, students seem to have the means of self-support--but this could change month by month as:
 - determinations are made by the Chinese government regarding on-going support;
 - programs are terminated (3 500 will have their student status expiring before January 1990).
3. Students who need to support themselves seem to be succeeding in finding temporary employment. This conclusion was drawn from ISA's in the larger centres.
4. Students are organizing in ways which will give them means of articulating interests and obtaining potential media attention and political clout.

Concerns:

1. Data collection is difficult. A survey of 44 universities has failed to identify precise funding sources of the students. The general picture which can be pieced together indicates: 20% are funded by Chinese sources, 10% by CIDA, 70% from largely Canadian sources, (e.g. research grants, university scholarships, teaching assistantships, and family).
2. Although there have not been many applications by institutions for the Service Enhancement Fund, a number of institutions have expressed the view that the Fund is inadequate to support service costs being incurred at the institutional level.
3. There have been inconsistencies in the application of immigration regulations and procedures. (Greater consistencies can be noted in recent weeks.)
4. Declining public interest in the China issue has jeopardized mobilization efforts.

Jim Matkin asked about the response from provincial governments. Jim Fox said that he had approached the provincial governments on the issues of health-care coverage, social assistance for destitute students, and making a financial contribution matching the federal government's donation, pro-rated to reflect the different concentrations of Chinese students across the provinces. He has personally met with representatives from the governments of Ontario and British Columbia who have assured him of their high interest in the matter.

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William Saywell wanted to know why there were so many nationals who have applied for refugee status, given that this closes many doors for the applicant. Gordon Chong said that, initially, bad advice was given to the students, perhaps by lawyers wanting to earn some quick money. The CEIC has since given many information sessions to better inform students of their alternatives. Mr. Saywell wanted to know if it was too late for students to switch their status from refugee to permanent residence. Mr. Chong indicated that it was not too late. William Saywell suggested that the National Advisory Panel (N.A.P.) should underline the importance of having students switch. He also recommended not to stamp students' passports.

CEIC
Next, Tin Yap spoke of the Winnipeg conference of the Chinese Federation of Students. This group is composed of Chinese students in order to: voice their concerns, help themselves, and to promote democracy in China. Among other things, they will be developing a database at U.B.C. for job placements. Tin Yap said that they would be a helpful network to contact hard-to-reach people like the visiting scholars.

He also gave a quick up-date on the Local Action Committees (LAC's). The LAC's are part of the community mobilization stage and have two main goals: fund-raising and job placement. He hopes to involve various professional associations in the job placement process like the Asia-Pacific Foundation, university alumni associations, the Federation of Chinese Canadian Professionals, the Superannuated Teachers of Ontario, and the Eastern Ontario Restaurateurs' Association. There have been some encouraging results: the City of Winnipeg has awarded its LAC with \$10 000; Carleton and Ottawa Universities will be holding a concert to help raise money for the Chinese students.

Lewis Chan asked how the Chinese Student Federation will be funded. Tin Yap said the Federation does not know where they will obtain funding. They have approached the Chinese Student Secretariat but there isn't any money budgeted for them. William Saywell pointed out that the government's support program is not to finance the democracy movement, but to help destitute students. This Federation would do better to seek help from the Canadian Federation of Students or the various student political groups on university campuses. However, the Chinese Student Secretariat may see fit to allocate some money from the Service Enhancement Fund to help the National Federation of Chinese Students and Scholars set up a database in Vancouver for job placements across the country.

Lucien Perras wanted to know why educational expenses were going to be a problem if CIDA wasn't going to cut off money to its sponsored students. The Chinese government also has not cut off its funding. Tin Yap explained to members that at the end of the summer, many students' studies (and therefore, visas) will end.

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Yet they are afraid to go home, given the current situation. To become a refugee or permanent resident will make political waves, so the safest alternative is to continue their education here in Canada in order to wait a couple of years. Unfortunately, they don't have funding for this further education.

Gordon Chong mentioned that the Chinese community in Toronto was anxious that students not become a burden to tax-payers or become too dependent on government support. He then made the recommendation that the government expedite self-sufficiency for Chinese students. Thus, job placement becomes a key concern.

William Saywell agreed and stated that Chinese students strongly desire to work for their money. Since most financial assistance will expire between now and January, the real financial "crunch" will be in the fall when tuition charges are incurred.

Lewis Chan wanted to know at what point in the immigration process will differential fees be waived. Jim Fox said it depends on the province. In Ontario, they are waived when permanent residence status is granted.

Jim Matkin then observed that if the pressing financial concern for students is tuition fees, and if 2 200 students have applied for permanent residence (and when it's granted they don't pay the differential fee) and if CIDA pays for its sponsored students' fees, then perhaps educational expenses are not a major governmental concern.

Lorraine Bélisle pointed out that differential fees are not waived until students have a letter from CEIC indicating that they have been granted permanent residence status. Many of the immigration interviews are not scheduled until September; therefore, students may not receive this status until after the differential fees are due. Gordon Chong then recommended that the N.A.P. should ask the Ministers to waive the differential fee until after the results of the interviews are known.

Gordon Chong recommended that members should remind the government of the need for uniformity in processing immigration applications and the need to expedite such processing.

Next, Lynn Johnston gave a financial overview indicating how the \$1.5 million given by the federal government had been allocated: \$200 000 to continue funding for CIDA-sponsored students, \$300 000 for the emergency fund, \$125 000 for the Chinese Student Secretariat (CSS) and Chinese Canadian National Council (CCNC) hot lines, \$45 000 to the Service Enhancement Fund, and the rest to a variety of activities aimed at counselling, community mobilization, job placement assistance, emergency funding and policy advocacy. Gordon Chong suggested that it will be important to monitor the hot lines to ensure that they are cost-

Financial crunch in Jan.

CEIC should expedite interviews

10/19

effective and to start to "wind them down" as soon as there is no longer a need for them. There seemed to be a general consensus among members that they wanted more detailed financial information on the project.

William Saywell pointed out that too little of the money allotted to Chinese students was directly reaching them. He stated that an equal amount of money was needed over and above the federal government's contribution for the students. He also suggested that the recommendations given to the Minister should be prefaced with a short paragraph applauding the quick and decisive action of the government in allocating money and establishing a program to help the needs of the Chinese students. Lucien Perras suggested including a short paragraph to accompany the recommendations explaining the context of each.

Elizabeth Racicot summarized the basic principles of recommendations, made up to this point as follows:

1. CEIC should facilitate the transfer from refugee to permanent resident status
2. Stamps should not be imprinted on passports
3. The federal government should expedite the self-sufficiency of Chinese students
4. The federal government should respectfully request provinces to donate \$1.5 million (in total) to match the federal contribution and that provinces be asked to defer on differential fees and health insurance fees pending the results of the immigration process (such special provision to be reviewed regularly and removed at an appropriate time.)
5. CEIC should take steps to expedite immigration applications and the procedure should be made uniform.

(See Recommendations sheet.)

It was agreed that these recommendations would be drafted by CBIE and faxed to members. William Saywell wanted a recommendation saying that provincial governments should give money to institutions already in place to help the needs of Chinese students. He mentioned that his university alone could be facing a bill of an extra \$100 000 on counselling services etc. for Chinese students.

Lucien Perras indicated that recommendations should be formulated with care, drawing on precise data, and framed in language which will enhance the chance of acceptance. Saywell stressed that

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the recommendations must be timely to ensure that students do not suffer a financial crisis. Gordon Chong noted that the federal government should ask the provinces to make a donation, since the well-being of students was their concern.

Jim Matkin wanted to include a recommendation saying that the N.A.P. has determined that educational expenses are a major need at this point. William Saywell wanted a recommendation about aiding job placement. Gordon Chong suggested that it should be included in the "self-sufficiency" recommendation preamble. Jim Matkin expanded this to include "the Asia-Pacific Foundation" model should be followed in developing job placement strategy (writing to CEO's of all major companies).

Gordon Chong said that although it was suggested that the N.A.P. meet several times, he didn't feel that there was a need to set a date for a second meeting yet. It was noted that subsequent meetings could be held electronically. It was also noted that the Minister could be approached regarding attending a future meeting. The Chairman thanked the Secretariat for the documentation provided by the Panel and for the organization of the meeting.

The meeting was adjourned at 11:40 a.m.

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NATIONAL ADVISORY PANEL
RECOMMENDATIONS TO THE MINISTER

The recommendations listed below are a result of the meeting of the National Advisory Panel on July 28, 1989 in the Board Room of the Canadian Bureau for International Education.

We, the members of the National Advisory Panel, applaud the federal government on its prompt and decisive action in adapting immigration policies and allocating funds to help Chinese nationals in Canada. As a follow-up to these initial proceedings, we hereby make the following recommendations:

1. It is recommended that the federal government facilitate the change in status from that of refugee to permanent resident for those students from the People's Republic of China who so desire.

Being done / CBIE - inform student that a change is possible.

Rationale

Due to a lack of proper information and, in some cases, bad advice in the first few weeks after the immigration announcement, many Chinese nationals applied for refugee status who should have opted for the "humanitarian and compassionate grounds" for permanent residence. For a Chinese student, a declaration of refugee status is a politically unwise step and could endanger the student's family in China and jeopardize his or her safe return to China. Students should be encouraged to make the change before the three-month refugee claim processing period is over.

2. It is recommended that every effort be made by the Department of Employment and Immigration not to stamp the Chinese students' passports in ways which disclose their intentions during the process of application for permanent residency or refugee status in Canada.

CEAC does not stamp passports / CBIG to inform students.

Rationale

This recommendation is based on concerns of students with respect to confidentiality and security of information.

3. It is recommended that the federal government ensure uniform immigration procedures and expeditious processing of applications across the country.

Rationale

There is currently a large variance among immigration centres in the time it takes to process applications and in the interpretation of the regulations. Given the impending expiry of visas, and financial crisis for many Chinese students, it is important to process their applications as quickly as possible.

- It is recommended that the federal government make every effort to facilitate and expedite the self-sufficiency of People's Republic of China nationals in Canada, especially through the job-placement strategies of the Chinese Emergency Support Programs and through the existing networks already in place in Canadian universities and other agencies. This objective of self-sufficiency can be expedited through the close monitoring and review of assistance policies and programs so that they are removed as they become no longer necessary.

Summary:
 Chinese to assist
 if they want
 (1) to work
 (2) to study

Rationale

Government support should be oriented toward helping students help themselves and toward ensuring that short-term support will allow students to achieve the wherewithal to sustain themselves while in Canada. CBIC - info a source of funding available

Have and
 coordinated
 CBIC

From
 Canada with

- It is recommended that the federal government respectfully request the provinces to pledge a matching contribution to the federal donation of \$1.5 million to address the needs of Chinese students. This money should be administered by provincial universities, colleges and other training institutions. Provincial contributions should be pro-rated to reflect the different concentrations of Chinese students across the country. In addition, provinces should be asked to defer differential tuition fees and health insurance fees levied on Chinese students, pending results of their immigration proceedings.

- life skills?
 CBIC - CEC's to make available if possible

Immigration
 Adjust that
 Program -
 to hit budget
 issues
 Student
 Loan
 available
 by pm
 CBIC to
 check

Chinese who have applied for visas will get
 work permits for any kind of job

15/19

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Rationale

Since education, health and social services are under provincial jurisdiction, provincial cooperation is essential if needed student support is to be given. The provincial contribution should be focused on:

- a) creating access to health care and social assistance
- b) emergency funding
- c) providing reasonable support for the continuation of study programs.



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16/19
DÉCISION / DECISION

MÉMOIRE AU MINISTRE / MEMORANDUM FOR THE MINISTER

SUBJECT: RESPONSE TO THE RECOMMENDATIONS OF THE NATIONAL
ADVISORY PANEL ON SUPPORT MEASURES FOR THE CHINESE STUDENTS

PURPOSE: To provide advice on the government's reply to the
recommendations of the National Advisory Panel; to suggest
issues you might raise with the Panel; to present for your
approval the measures which would apply specifically for the
CIDA-funded students.

CURRENT SITUATION: The Canadian Government measures for
Chinese students in Canada are far ahead of those of other
countries.

As a result, already ^{4,200}~~3,500~~ out of 4800 students in Canada in
June have received an agreement in principle to their
application for refugee or permanent status. This agreement
gives them access to work permits, job placement services,
and a range of assistance programs which varies from province
to province.

CEIC estimates about 90% of the students will decide to
remain in Canada.

CEIC informed us that of the 1,000 ^{most are applying} visas issued by our
Embassy in Beijing since June, ~~all have~~ applied for permanent
residence when they arrived in Canada.

A. RECOMMENDATIONS OF THE NATIONAL ADVISORY PANEL

The National Advisory Panel to the national emergency support
for the Chinese students met July 27. We provide in annex a
copy of the June 26 press release giving the mandate and
composition of the panel. On August 11, they sent to you the
minutes of their meetings and recommendations. We have met
with officials of External Affairs and Employment and
Immigration to review these recommendations.

As a result of that meeting, we suggest you advise the Panel
that the federal government agrees with all of their
recommendations and will ensure that they are followed up on.

Following is the suggested government reply to each of the
recommendations of the Panel:

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1. That the federal government facilitate the change in status from that of refugee to permanent resident for those students who so desire.

Response: ~~Agree~~. CEIC (Canadian Employment and Immigration Canada) has already advised their officers to do so.

2. That every effort be made by Employment and Immigration not to stamp Chinese students passports in ways which disclose their intention during the process of application for permanent residency or refugee status.

Response: CEIC assures us that this is not part of the procedure.

3. That the federal government ensure uniform immigration procedures and expeditious processing of applications across the country.

Response: Agree. Since the receipt of a copy of the recommendations, CEIC has already contacted its offices across country to follow up on this recommendation.

4. That the federal government make every effort to facilitate and expedite the self-sufficiency of Chinese nationals in Canada especially through job placement strategies and through existing networks already in place in Canadian universities and other agencies. Also close monitoring and review of assistance policies and programs so that they are removed as they become no longer necessary.

Response: Agree. As soon as they obtain an agreement in principle, students have a work permit and access to job placement services offered by CEIC through their offices across Canada.

Latest figures from CEIC indicate that as of ^{August 18, 4200} ~~two weeks ago~~, 3500 ~~out of~~ 4800 estimated Chinese student population in Canada had obtained their agreement in principle.

The Canadian Bureau for International Education (CBIE), through the National Emergency Support Program you approved in June, will assist the Chinese students in their search for financial assistance by gathering and providing information on financial assistance programs available.

In partnership with the Chinese Canadian National Council (CCNC), CBIE will also work with the provinces and the local communities to encourage the mobilization of resources to assist the students who want to pursue their studies.

Close monitoring and review is being done by the CIDA China desk. For example, when the use of the hot lines substantially diminished, those that were not required were removed.

5. That the federal government respectfully request the provinces to provide a contribution matching the federal support, the money to be administered by provincial training institutions. In addition, provinces should be asked to defer differential fees and health insurance fees levied on Chinese students, provide access to health care and social assistance and provide reasonable support for the continuation of the studies pending the result of the immigration proceedings.

Response: We suggest you agree to write a letter to the provinces outlining the recommendations of the National Advisory Panel and encouraging the provinces to provide support.

B. OTHER ISSUES

You might wish to ask the advice of the National Advisory Panel on the following:

1. Should the Emergency Support Program funded by CIDA provide support to those students who have arrived in Canada since June 04?

So far we have understood that the measures applied to those students who were in Canada or in transit to Canada in early June. Students arriving since June have been applying for access to the measures. As their number is increasing rapidly, this issue could present a serious problem. CEIC is considering the legal implications, as changing visa status upon arrival contravenes immigration law.

2. When should CIDA end its support to the Chinese students who decide to stay in Canada? We need a sunset arrangement for the National Emergency Support Program we are funding.

C. CIDA-FUNDED STUDENTS

The National Advisory Panel did not advise CIDA specifically on future measures for the CIDA-funded students. They did indicate however that the federal government had provided enough financial support to the Chinese students in general and that the Chinese students should be encouraged to become self-supportive.

The only measure announced to date is the extension of scholarship coverage to the end of September for those students who were scheduled to leave Canada between June and end of August.

Your decision is requested regarding the measures we should apply this fall.

Basic Principles: We have been guided by the following in developing our recommendations to you:

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We should not be encouraging the students to stay in Canada through long term blanket extension.

The choice to remain in Canada after the training program is finished remains an individual decision.

Those who decide to stay are welcomed; they then fall into the category of the rest of the Chinese students who choose to remain in Canada and receive equal treatment.

We have to ensure that there is no major financial gap in support between the time they apply to stay and the time they are eligible for Canadian assistance programs.

For those who have not finished their CIDA-funded program, they should not see their funding stopped if they apply for refugee or permanent status. The funding should stop only when they receive their permanent status.

As much as possible we want to protect the CIDA program in China and not take measures that will provoke the Chinese government into stopping the flow of students to Canada.

But we will not contenance any inhumane action against students in Canada or threats against our Canadian Executing Agencies regarding the return of project scholars.

The measures taken this summer were special because of special circumstances. For the longer term, we should keep in mind the question of setting a precedent.

Exception to the measures are always possible; they will be dealt with on a case by case basis.

RECOMMENDATION

We recommend that you approve the following measures:

1. On humanitarian grounds, a further extension until October 31 for those students whose training finished between June and end of September. This should give enough time for those who now decide to stay to apply for immigration, to be processed and to become eligible for regular assistance programs.

2. For those who are still on active CIDA-funded scholarships, they will not lose their funding until they have been confirmed as refugee or permanent resident. Until a CIDA policy is clearly stated on this issue as it affects all CIDA-funded students, we suggest this be measure be considered as an exception.



External Affairs
Canada

Affaires extérieures
Canada

MGTC/DIARY/CIRC/FILE
MGTC/JOURNAL/CIRC/DOSSIER

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MESSAGE
NON CLASSIFIÉ

FAX

1/3

Align first character of Security Classification under this arrow
Alignez le premier caractère de la Sécurité sous cette flèche

Accession/Référence
File/Dossier
20-1-2-CHINA

27 SEP 89 21 12 09z 10

SECURITY / SÉCURITÉ **UNCLASSIFIED**

FM/DE **FM EXTOTT PNR-3058 27 JUNE 89**

TO/À **TO ^{TOKYO} JAPAN/BALLOCH DELIVERY BY 280900**

INFO

DISTR

REF

SUBJ/SUJ **---D. LARY LETTER TO BALLOCH**

ENCLOSED IS INCOMING LETTER FROM LARY TO BALLOCH AND THE REPLY SENT ON BEHALF OF BALLOCH DATED SEPT.27.

COMCENTRE PLEASE FAX ATTACHED TWO PAGES.

DRAFTER/RÉDACTEUR	DIVISION/DIRECTION	TELEPHONE	APPROVED/APPROUVÉ
MICHELE KOVANCHAK SIG	PNR	992-8530	GORDON HOULDEN SIG <i>Gordon Houlden</i> 001078

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2/3



University of Toronto -
York University
Joint Centre
for Asia Pacific Studies

631 Spadina Avenue
University of Toronto
Toronto, Ontario, CANADA
M5S 2H6
(416) 978-6820

Founders College
York University
4700 Keele Street
North York, Ontario, CANADA
M3J 1P3

September 17th, 1989

Howard Balloch,
North Asia Relations,
Department of External Affairs,
Ottawa

Dear Howard,

This is to confirm our invitation to you to attend the Joint Centre's seminar on the 40th anniversary of the PRC. I am enclosing a flier with the detailed information. I hope you will be able to have dinner with us before the seminar - could you call so that we can arrange a time and place.

All best wishes,

Diana Lary
Diana Lary
Director

DATE
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SEP 26 1989

SEP 26 1989

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Department of External Affairs



Canada

3/3
Ministère des Affaires extérieures

OTTAWA, ONTARIO
K1A 0G2

September 27, 1989

PNR-3057

Ms. Diana Lary
Director
University of Toronto -
York University
Joint Centre
for Asia Pacific Studies
631 Spadina Avenue
University of Toronto
Toronto, Ontario
M5S 2H6

Dear Diana,

I am writing in response to your letter to Howard Balloch dated September 17, 1989, in which you extended an invitation for him to attend the Joint Centre's seminar on the 40th anniversary of the People's Republic of China. As you know, Howard is in Japan until next week.

Either Howard or I would be pleased to attend the Joint Centre's seminar to be held on October 2, 1989, and have dinner with you beforehand. When Howard has returned from Japan, I will discuss your invitation with him and contact you to let you know of our plans.

Your sincerely,

A handwritten signature in cursive script, appearing to read 'Gordon Houlden'.

Gordon Houlden
Acting Director
North Asia Relations

Department of External Affairs



Ministère des Affaires extérieures

Canada

DATE/DATE June 27/89.

SENT FROM
ENVOYE DE:

NAME/NOM: Houlden / PNR

PHONE/TELEPHONE (613) 996-0980

FACSIMILE NO:
NO DE TELECOPIEUR (613) 996-4309

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SENT TO
ENVOYE A:

FACSIMILE NUMBER- 992-1224

NAME/NOM: Grant Lewis

MAILING ADDRESS/
ADRESSE POSTALE: Library of Parliament
Research Branch

REMARKS/REMARQUES: Tibet: To our knowledge
no international organization has denied
Chinese sovereignty over Tibet.

TOTAL NUMBER OF PAGES TRANSMITTED
(INCLUDING THIS PAGE) 4
NOMBRE TOTAL DE PAGES TRANSMISES
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CANADIAN POSITION ON TIBET

When Canada recognized the People's Republic of China in 1970, we in effect accepted that it had effective control of Tibetan territory and that Tibet was therefore an autonomous region of the People's Republic of China as described in the Chinese constitution.

The question of human rights and their international promotion are a fundamental part of Canadian foreign policy. Prime Minister Mulroney raised human rights concerns with then Prime Minister Zhao Ziyang during his official visit to China in May 1986. In reaction to the disturbances in Tibet in 1987 and 1988, the Canadian Embassy in Beijing has discussed the situation in Tibet with the Chinese authorities on several occasions and has drawn to their attention Canadian concerns about human rights there. As for our part here in Ottawa, we have registered Canadian concerns with the Chinese Embassy. We have also met and discussed human rights observances in the People's Republic of China with representatives from Canadian organizations interested in the human rights question in China.

In response to the renewed unrest in Lhasa in March 1989, the Department of External Affairs issued a News Release on March 10, 1989, of which a copy is attached, regarding the situation in the Tibetan Autonomous Region. In addition, officials of the Department of External Affairs raised our concerns over human rights in Tibet with the Embassy of the People's Republic of China. A similar demarche was made by our Embassy in Beijing with the Chinese Ministry of Foreign Affairs. Canada also raised the question of human rights observances in Tibet in March 1989 within the United Nations Human Rights Commission. The Canadian Embassy in Beijing has asked the Chinese authorities for permission to visit Tibet. Finally, the situation in Tibet was also raised during the May visit to Canada of the Chairman of the National People's Congress, Mr. Wan Li.

In summary, while the Canadian Government in no way challenges Chinese sovereignty over Tibet, we are concerned about the human rights situation there and we have made this clear to the Chinese authorities. We will continue to attempt to establish a constructive dialogue with the Chinese authorities on this question.

Dalai Lama

With regard to the Dalai Lama's "Five Point Peace Plan," I wish to note that the Canadian Government considers the Dalai Lama to be a senior world religious figure, but does not recognize him as the temporal leader of a Tibetan state.

Parliamentary Action

With regard to parliamentary actions on the Tibet question and without wishing in any way to detract from the significance of these actions, it should be noted that in the case of the United States(US) Congress, the US Administration distanced itself from the resolution expressing general support for the Dalai Lama's proposals which was eventually attached to the 1987 Foreign Relations Authorization Act. In fact, the Administration indicated that it would veto the resolution if it were presented as a separate bill (as the sponsors originally intended) because it was ambiguous on the question of Chinese sovereignty over Tibet and tendentious in presentation of facts.

In addition, it should be noted that the Government of the Federal Republic of Germany also distanced itself from a similar resolution voted by the German Bundestag. The vote taken by the European Parliament in Strasbourg has no constraining effect on institutions of the EEC nor on any of the European partner countries.

News Release

Communiqué

Department of
External
Affairs



Ministère des
Affaires
extérieures

No. 055

March 10, 1989.

TIBET

On March 10, a petition regarding Tibet, circulated by a group called the "Canada - Tibet Committee", was presented to officials of the Department of External Affairs by representatives of the group. Officials of the Department outlined to the group the position of the Government.

On March 7, 1989, officials of the Department of External Affairs raised Canadian concerns about recent events in Tibet with officials of the Embassy of the People's Republic of China, and called upon the Chinese authorities to respect basic human rights and freedoms in their management of the situation. While Canada does not challenge Chinese sovereignty over Tibet, the Canadian Government expects China to adhere to the principles of the Universal Declaration of Human Rights. The Canadian Embassy in Beijing has also been instructed to reiterate Canada's concerns regarding the situation in Tibet to the appropriate Chinese authorities.

To the Government's knowledge, there are currently no Canadians in Tibet, and consequently no Canadians in danger due to the situation there.

-30-

Secretary of State
for
External Affairs

Secrétaire d'État
aux
Affaires extérieures

Canada

001084

P R O T E C T E D

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TO EXTOTT/PNR DELIVER BY 260900

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---PROPOSED RETURNS TO PRC

MISSION ADVICE, AFTER CPM REVIEW, AS FOLLOWS.

2. GENERAL GUIDANCE IS TO AVOID PEKIN EXCEPT FOR PRESSING BUSINESS. MARTIAL LAW TROOPS STILL TRIGGER HAPPY MAKING ACCIDENTS POSSIBLE. THIS IS ESPECIALLY THE CASE AFTER DARK. EVEN DURING DAYTIME, SHOTS HAVE BEEN FIRED AT CARS WHO DO NOT/NOT PROMPTLY OBEY ADMONITION TO STOP. SUCH INCIDENT OCCURRED IN FRONT OF JIANGUO HOTEL AT 1930H LAST EVENING.

3. BUSINESSMEN: WE MAINTAIN PREVIOUS ADVISORY, IE, THOSE WITH PRESSING/ONGOING BUSINESS SHOULD COME. THOSE WHOSE INTEREST IS MERELY MARKET EXPLORATION SHOULD NOT/NOT. WE TALKED TO SHNGI/MAILHOT AND AGREE HAZEL PAGE CAN COME BACK.

4. TOURISTS: ATTITUDE OF MARTIAL LAW TROOPS STILL MAKE TOURISM IN PEKIN HAZARDOUS. NO/NO ONE CAN GUARANTEE SAFETY OF INNOCENT TOURIST WHO WOULD HAZARD HIM/HERSELF NEAR TIANANMEN SQUARE WITH CAMERA. OTHER EMBS HAVE NOT/NOT LIFTED TRAVEL ADVISORIES. HOWEVER, WOULD NOT/NOT FEEL IT NECESSARY TO ADVISE AGAINST SIDE TRIPS WHICH DO ...2

**ACTION
SUITE A DONNER**

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NOT/NOT INVOLVE PEKIN(IE,SIDE TRIP TO GUILIN FROM HKONG).

5.ACADEMICS AND CDN ADVISORS AT CHINESE UNIVS AND INSTITUTES:GIVEN SPREADING PURGE OF INTELLECTUALS AND ROUND-UPS,NO/NO CREDIBLE RESEARCH WILL BE POSSIBLE THIS SUMMER.THERE IS TOO MUCH STRESS AND TENSION IN UNIVS AND INSTITUTES.CONTACTS WITH FOREIGNERS ARE DISCOURAGED/SUSPECT.ONLY ALLOWED DISCOURSE IS PROPAGANDA.VIS CIDAHULL/BSC0458,ARMY IS STILL BILLETED AT BEIJING UNIV.NO/NO INDICATION THAT THEY WILL LEAVE IN NEAR FUTURE AND FURTHER ARRESTS POSSIBLE.WE CANNOT/NOT GUARANTEE SAFETY OF FOREIGNERS IN SUCH ENVIRONMENT.

6.REITERATE THAT ANY PERSON WHO PLANS TO VISIT OR RETURN TO PRC SHOULD DEFINITELY REGISTER WITH EMB.

CCC/302 260434Z WJGR3524



File
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To
A THE UNDER-SECRETARY

From
De MINA

Reference
Référence

Subject
Sujet PARLIAMENTARY REPORT: June 26, 1989

DATE RECEIVED	DATE RECUE
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	June 26, 1989
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20-1-2-China	

MEMBERS' STATEMENTS OF INTEREST:

Stan Darling (PC, Parry Sound-Muskoka) is pleased with Senator Mitchell's visit to Ottawa because the Senator is Canada's ally on the acid rain issue.

Ken Atkinson (PC, St. Catharines) mentions a Canada-U.S. study that shows increasing amounts of toxic wastes in the Niagara River.

The Speaker mentions the presence in the Gallery of Dr. Munyaradzi, Minister of Trade and Commerce of Zimbabwe.

QUESTION PERIOD:

Questions of general interest were raised about federal sales tax, refugee status claimants, Gander air crash, conflict of interest in regulations about tobacco, toxic wastes in the Niagara River, Via Rail, CMHC funds to Patricia Starr, spending to advertise the 20th anniversary of DSS and pulp and paper discharges polluting the environment.

QUESTIONS OF DEPARTMENTAL INTEREST:

FTA

David Barrett (NDP, Esquimalt-Juan de Fuca) asks what the Government's intentions are towards the push to include Mexico in the FTA.

MINT answers that there are no pressures at all about that question.

Mr. Barrett mentions at least two powerful U.S. senators pushing for it.

MINT answers that we don't care how many senators, powerful or not, are for an FTA with Mexico. They don't rule this country and the growing U.S. investments here speak in favour of the FTA.

China

Le Très Honorable Chef de l'opposition: "M. le Président, ma question s'adresse au Secrétaire d'Etat aux Affaires extérieures. Cette fin de semaine j'avais l'occasion de rencontrer quelques dirigeants de la communauté chinoise à Vancouver ainsi que quelques étudiants chinois actuellement en études ici au Canada. Je m'inquiète de voir que notre pays n'a pas encore traduit notre indignation générale exprimée à l'unanimité par la Chambre des communes en mesures concrètes. Où donc est le projet d'intervention dans les Nations Unies alors pour exprimer le sentiment international contre la repression en Chine? Où donc sont la résolution et l'initiative des Canadiens? Et en même temps, pourquoi a-t-il pas, le gouvernement canadien, encore pris une initiative concrète en vue de l'adoption par la communauté économique internationale de mesures de représailles internationales à l'encontre de la Chine, surtout dans le domaine de la haute technologie?"

SEAE: "Monsieur le président, je crois que le Très Honorable Chef de l'Opposition a eu l'occasion la semaine passée d'avoir une conversation directe avec notre ambassadeur en Chine, monsieur Drake, qui a été rappelé ici au Canada pour des consultations. Il a rencontré plusieurs membres de cette Chambre et suite aux consultations avec monsieur Drake et les autres consultations, nous avons eu par exemple un forum national des Canadiens avec une certaine expertise en ce qui concerne la Chine. Le gouvernement est en train maintenant de préparer un autre pas dans notre réponse aux événements en Chine. J'espère avoir l'occasion d'indiquer ici en Chambre les détails de cette position plus tard cette semaine."

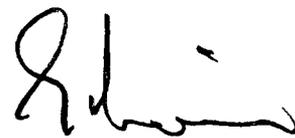
M. Turner: "J'ai beaucoup de respect pour Earl Drake, je le connais depuis 25 ans et oui, alors, je connais son point de vue vis-à-vis les relations bilatérales entre la Chine et le Canada. Mais je crois qu'il faut explorer surtout l'initiative collective dans le domaine économique. I have listened to the Government carefully. I haven't heard Canada yet call for strong international action from the International Monetary Fund or from the World Bank. I haven't heard Canada talk about cutting off economic aid. And in the Minister's own words, 'we cannot have business as usual'. And in that context, the Minister knows that I have recently raised with him on the floor of the House the issue of Hong Kong. My constituents, particularly, and the members of the Chinese-Canadian community across Canada are very concerned about the future of Hong Kong. And I ask the Government, through the Minister, will he place on the next agenda of the meeting of Heads of Government of the Commonwealth the issue of Hong Kong which is destined to become part of Chinese jurisdiction in 1997?"

SSEA: "Mr. Speaker, that is a very interesting suggestion and I think the only appropriate thing I can do in the moments after the suggestion has been made is undertake to consider that seriously and if we think that it would be possible for a constructive discussion to ensue at the Heads of Government meeting of the Commonwealth, we will do that. The Right Honourable Leader of the Opposition knows that meeting is in fact in Asia this year, so it may well be a particularly appropriate venue for that kind of discussion."

Mr. Turner: "I hope the Minister pursues that and I thank him for his constructive answer."

BUSINESS OF THE DAY

Government Bills (Commons) C-17, C-23, C-9, C-27, C-20, C-19, and C-224.



Georges Rioux
Legislative Assistant

(PNR) PGB PND PGP UGB UFB URD UFD UED UET UEE UJX UJXA LCR LCD LCT LGB LGX LSRA LSR
URR URE

June 26/89

Commercial Trade Relations

- Trade links between Canada and China have not been suspended. The future direction of our relations with the People's Republic of China is currently under review. A round-table of academics, businessmen, and non-governmental organizations have been invited by the Secretary of State for External Affairs, the Right Honourable Joe Clark met in Ottawa on June 22 to examine the situation in China, and how it will affect our relations with that country. Our trade relations with China were examined at that time. Mr. Clark announced a series of further measures regarding our relations with the People's Republic of China on June 29, 1989. Canada's trade with China, concentrated in the agricultural sector, will be preserved, but there is not a "business as usual" approach to the Chinese government.

Grain Sales

- Canada's grain sales to China are no longer managed under a long-term agreement (the last such agreement expired in 1984), and are instead negotiated between the Chinese state enterprise responsible for grain purchases - "Ceroils" - and the Canadian Wheat Board on the basis of negotiations held approximately three times per year.
- Since 1958, Canadian grain sales to China have totalled 79 million tons, largely wheat. These very substantial sales of Canadian grain to China play an important role in helping to feed the Chinese population, and it is not our intention to interrupt this flow of food to the Chinese people.

Visits

- The suspension of high-level exchanges between Canada and China was announced by the Secretary of State for External Affairs in the House of Commons on June 5, during the Emergency Debate on China. The question of high-level visits with the People's Republic of China was included in the review of our bilateral relationship with China that has just been completed. We will continue to avoid for the time being high-level contacts with the Chinese government.

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External Affairs
Canada

Affaires extérieures
Canada

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MESSAGE

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Accession/Référence	1/2
File/Dossier	20-1-2-CHINA

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TO/À TO WSHDC 15A

INFO DISTR URR - A -

DISTR REF PHONECON BARTON/TESSIER 26JUN

REF

SUBJ/SUJ ---LETTER ON CDN REACTION TO CHINA RECENT EVENTS

PLS FIND ATTACHED COPY OF OUR STANDARD LETTER ON CDN REACTION TO RECENT CHINESE EVENTS.

2. COMCENTRE PLS FAX ATTACHED TWO PAGES.

DRAFTER/RÉDACTEUR	DIVISION/DIRECTION	TELEPHONE	APPROVED/APPROUVÉ
<i>Michel Tessier</i> MICHEL TESSIER SIG	<i>[Signature]</i> PNR	996-0918	<i>[Signature]</i> HOWARD BALLOCH SIG

2/2

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We wish to assure you that the Canadian Government is indeed very concerned about the human rights situation in the People's Republic of China. The Canadian Government issued two statements dated June 3 and 4, 1989, that called on the Chinese authorities to cease their violent repression of the demonstrators and initiate a peaceful dialogue with the students.

In the Emergency Debate in the House of Commons on Monday, June 5, 1989, the Right Honourable Joe Clark outlined the measures the Canadian Government has taken to date. These include:

- postponing the signing of a number of development assistance agreements;
- the suspension of nuclear cooperation consultation and the cancellation of a number of other planned meetings;
- a freeze on high-level visits;
- a willingness to extend the stay of Chinese students here in Canada, and assurances that those who lose their means of support will be permitted to work;
- an at least temporary suspension of all removals to China under the Immigration Act;
- the suspension of our modest program of defence cooperation and confirmation of our unwillingness to consider any military exports to China in the current situation;
- a willingness to provide humanitarian assistance or medical supplies to victims of the violence of June 4, 1989.

On June 21, 1989, following the executions by the Chinese authorities, of persons involved in the recent unrest the Secretary of State for External Affairs issued a statement, ~~a copy of which is attached~~, stating that the Canadian Government found the executions in Shanghai thoroughly abhorrent.

The bilateral relationship is effectively in a state of suspension, and we are at present reviewing all its elements, including development assistance. The Secretary of State for External Affairs chaired a National Round Table on China on June 22, 1989. Academics, businessmen, as well as representatives of non-governmental organizations and the Chinese Canadian community shared their views on recent events in China and their implications for Canada-China relations. Ambassador Drake, who had been recalled for consultations in Canada, was also in attendance.

We remain in constant touch with our Embassy in Beijing, and we shall continue to carefully follow the evolving situation⁰⁰¹⁰⁹¹ in order that we may respond in an appropriate fashion.



Accession/Référence

File/Dossier

20-1-2-CHINA

MESSAGE



Align first character of Security Classification under this arrow
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INFO

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---OFFICIALS CONTACTS WITH PRC

BECAUSE REPTEL WAS INITIATED FOLLOWING DISCUSSION WITH NDHQ,
RESTRICTION WAS INADVERTENTLY LIMITED TO CFA CONTACTS WITH
PRC OFFICIALS, PARTICULARLY MILITARY OFFICIALS. ALL CBS SHOULD
REFUSE INVITATIONS TO EVENTS CONNECTED WITH CHINESE ARMY DAY, NORMALLY
01AUG.

DRAFTER/RÉDACTEUR	DIVISION/DIRECTION	TELEPHONE	APPROVED/APPROUVÉ
J.T.DEVLIN/KL	IDR	2-9263	J.T. DEVLIN
SIG			SIG <i>[Signature]</i>

Department of External Affairs



Ministère des Affaires extérieures

Canada

DATE/DATE June 23/89

SENT FROM
ENVOYE DE:

NAME/NOM: M. Kovandak / PNR

PHONE/TELEPHONE (613) 992-8530

FACSIMILE NO:
NO DE TELECOPIEUR (613) 996-4309

SENT TO
ENVOYE A:

FACSIMILE NUMBER- 403-264-6012

NAME/NOM: Scott Laurie

MAILING ADDRESS/
ADRESSE POSTALE: Nova Corp., Calgary

REMARKS/REMARQUES: Synopsis of Cad. actions
taken against China.

TOTAL NUMBER OF PAGES TRANSMITTED 3
(INCLUDING THIS PAGE)
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SYNOPSIS OF MEASURES TAKEN TO DATE

- Evacuation of Canadian community, successfully completed.
- The bilateral relationship, for all practical purposes, is effectively in a state of suspension.
- Measures outlined by SSEA during the Emergency Debate in the House on Monday, June 5:
 - postponing the signing of number of development assistance agreements (5 MOUs affected);
 - the suspension of nuclear cooperation consultation and the cancellation of a number of other planned meetings;
 - a freeze on high-level visits;
 - a willingness to extend the stay of Chinese students here in Canada, and assurances that those who lose their means of support will be permitted to work;
 - an at least temporary suspension of all removals to China under the Immigration Act;
 - the suspension of our modest program of defence cooperation and confirmation of our unwillingness to consider any military exports to China in the current situation;
 - a willingness to provide humanitarian assistance or medical supplies if requested.
- An initiative to coordinate with the provinces and sponsoring organizations efforts to assist Chinese students in Canada. A meeting was held in Ottawa on Friday, June 16. A national coordinating body is being established.
- Radio Canada International began broadcasting into China in Mandarin on June 20th.
- Accelerated immigration procedures for members of the family class adversely affected by the situation in China, and facilitative measures on a responsive basis for relatives of students currently in Canada.

- Student visa processing for new Chinese students interested in coming to Canada is being speeded-up.
- A visa officer is being dispatched temporarily to the Consulate General in Shanghai. The immigration section in Beijing has resumed operations.
- Recall of Ambassador Earl Drake.
- A "National Round Table" took place on Thursday June 22, bringing industrialists, academics, representatives from the Chinese Canadian and non-governmental communities together.

M.T.T. [MEDIA TAPES AND TRANSCRIPTS] LTD. 185 SPARKS STREET • 3RD FLOOR • OTTAWA, K1P 5B9 (613) 236-4695 - FAX (613) 236-3370		East Asia Trade Division	
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PROGRAM: EDMONTON PM EMISSION:	1	DATE: JUNE 23, 1989 DATE: JUN 27 1989	[Handwritten initials]
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INTERVIEW WITH JOE CLARK

CBC: Many Chinese-Canadians want Joe Clark to act decisively following the execution of dissidents in China. The Minister for External Affairs has said, quote, there can't be business as usual, but he showed little enthusiasm for trade sanctions. Mr. Clark is in Edmonton today for the launching of the first nonstop flight from here to Tokyo. He's also meeting with the Ambassadors and High Commissioners of six South Asian countries.

Good afternoon.

JOE CLARK: Hi.

CBC: Can you tell me what sort of action your government has taken so far in response to the repression and the executions in China?

CLARK: Our first preoccupation of course was to ensure that Canadians who were there could be brought home quickly to safety and we were able to do that. We then thought it would be

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important to have our ambassador home for consultations as we considered other actions that it would be constructive for us to take and we were the first country to call our ambassador home for consultations.

Mr. Earl Drake has been here for a week now and will be going back sometime next week. We're taking a look at actions that might be taken through various international organizations, including naturally principally the United Nations but perhaps others and yesterday in Ottawa, I convened a meeting of a round table of Canadians who are expert in China or in Canada's relations with China.

Those were people from the Canadian business community, from the Canadian academic community, from some of the nongovernment organizations and also representatives of the Chinese-Canadian community in Canada.

CBC: And what might come of this? What might you decide to do?

CLARK: Well there were a number of perspectives raised.

I suppose, I think one fundamental theme through discussions was that the response of Canada should not be seen as an anti-China response. We are firmly opposed to the actions of the regime, particularly the execution of the students, but there is a long-standing and important Canadian relation with China and with the people of China that we want to maintain.

Obviously there cannot be business as usual. That was a phrase that was used by Chinese leadership and I indicated immediately that phrase was used, that Canada would not be carrying on business as

usual.

CBC: Alright.

CLARK: Exactly what we do is a matter that we're still
 considering now taking advantage of some of the advice
that was received yesterday.

CBC: How about imposing trade sanctions on Chinese
 stuff(??)?

CLARK: Well we're looking at the question of the activities
 of the Export Development Corporation and we're also
looking at some of our activities by our International Development
Agency, CIDA. //

 We naturally want to maintain relations that are on a
people-to-people basis and we're reviewing all aspects of our program to
see what actions by Canada would be most effective. Of(?) some immediate
priorities, one of them has to do with students, Chinese students in
Canada and we're trying to act on that.

CBC: Without sanctions, do you think that other measures
 will have really very much impact?

CLARK: It's an open question as to whether sanctions will
 have much of an impact. That's a large economy
and one of the most self-contained in the world and certainly one

wouldn't want to undertake economic measures unless we thought that they were going to have some positive impact. That's part of what we're assessing. We're doing that naturally on our own, but also in consultation with other countries that have important economic relations with China.

No one wants to isolate China. We were all encouraged by the developments in that country reaching out toward the rest of the world. We want to encourage those kinds of sentiments and trends in China again and the challenge before us, the policy challenge is how we make it clear that the execution of students and of dissidents is unacceptable while at the same time encouraging some of the outward-looking forces that those students were seeking to extend.

CBC: If we take measures that will end up not costing us very much financially, do you think that that leaves us with very much credibility as a country taking a stand?

CLARK: Well of course the point isn't to take a stand. We've taken a stand. The point is to try to effect behaviour in China. The audience here is not a Canadian audience. The audience is the Leadership of China and the audience, very importantly, are the people in China who went to extraordinary lengths of great personal danger to seek reform in their own country.

So I'm frankly looking at measures other than simply symbolic responses. The one thing that interests me a lot is whether or not there are ways that we can get our view of what happened since

June 4th in China into China to fight the propaganda that has been mounted by the government there. One instrument that may be available to us is the fact that there has been quite an extensive program of 20 between Canadian cities and Chinese cities, Canadian provinces, including this province and provinces in China.

That has created quite a network: a person-to-person network. We have to be a little careful as to how we use that network so as not to put in jeopardy people on the Chinese end, but I think that one of the very important roles that a country like Canada can play is to ensure that the events we saw telecast out of Tianenmen square are not obliterated in Chinese understanding by the propaganda campaign that's being mounted by their government.

CBC: And what's your view here in Canada, now, of allowing Chinese students and other Chinese visitors to stay here a little longer of perhaps even permanently.

CLARK: Well we made it very clear from the beginning that we were not going to send anyone back to danger and the first focus was upon Chinese students here, there was some 4,700 in the country, we extended their student visas by two months, and Barbara McDougall has now indicated there would be a longer extension. There is a practical problem with some of those students in that some of them also need financial help and we have convened a conference of federal and provincial governments, and have worked with some of the Chinese-Canadian business community and other leaders to try to raise funds to tide them over.

One question that has to be approached with some care, is what the longer intention of some of the Chinese who are in Canada right now, might be. We want to make it clear to them, that if they want to apply for refugee status that will be considered very sympathetically but that they would not need to apply for refugee status to stay here for a year or so. I say that because I don't think we would want any of them to take actions now in the heat of these circumstances, which might make it difficult for them to return to China later if they chose to do that.

CBC: Mr. Clark, thank you very much.

CLARK: Great. Thank you.

CBC: Joe Clark is Canada's Minister for External Affairs and he's in Edmonton today.

CONFIDENTIAL

CHINA BACKGROUNDER

June 23, 1989

GENERAL SITUATION IN CHINA

- Three Shanghai protestors were executed on June 21. Seven more were shot in Beijing yesterday and a further number in other cities, although not all are being linked to the demonstrations.
- Two senior editors have been fired in Beijing, presumably for sympathetic reporting of the student demonstrations. This could be the beginning of a purge of reformers and their supporters.
- The state propaganda apparatus remains in full gear. The massacre in Tiananmen Square has been officially "rewritten", and Chinese media is being flooded with the official version.
- The effort to intimidate foreign journalists has been stepped up. Jan Wong of the Globe and Mail was assaulted on Monday in what appeared to be an attempted abduction. We have formally protested, and have dismissed the Chinese assertions blaming "counter-revolutionary ruffians".
- The Chinese authorities are doing their utmost to insist that the situation is returning to normal and that there has been no change to China's open-door policy.

EVACUATION OF CANADIANS

- The evacuation program is effectively complete. We estimate that at least 550 Canadians have left China. About 100 Canadians are probably still in China.
- It is entirely possible that further Canadians will emerge from far flung places in China claiming that the evacuation plan was insufficient because they were never contacted or assisted. Every Canadian registered with the Embassy has been traced and none have been frustrated in their efforts to leave China.

ASYLUM - CANADA/CHINA (CONFIDENTIAL)

- There are five persons who have left the Chinese Embassy in Ottawa. Others are considering defection.

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- Two persons from the Chinese Consulate-General in Vancouver have already approached Canadian immigration authorities to request refugee status.
- Others appear to be leaving from both the Consulate General in Toronto and the ICAO office in Montreal. It remains important that no reference be made to these individuals. (Risk to those remaining. Privacy Act)
- **(Suggested reply - on a responsive basis only)**

It is normal practice not to comment on cases such as these.

I can confirm that a number of people have approached Canadian immigration authorities with a claim for refugee status. Their application will be handled in the normal manner. For obvious reasons, I cannot comment on either numbers or names.

CALLING-IN OF CHINESE AMBASSADOR

- The SSEA called in the Chinese Ambassador on June 15th to emphasize the outrage of the Canadian public, parliamentarians from all parties and the Government over the events in China.
- The Ambassador was called in again on June 21 by the Department to register Canada's abhorrence over the executions and death sentences being used to intimidate the population in the current campaign of repression.

GENERAL RESPONSE OF THE CANADIAN GOVERNMENT

- The bilateral relationship, for all practical purposes, is effectively in a state of suspension.
- The SSEA outlined the measures initially taken by the Government during the Emergency Debate in the House on June 5th. (See detailed Synopsis attached)

RESPONSIVE POINTS ON VARIOUS ISSUES

GOVERNMENT HOTLINE - LACK OF CHINESE-SPEAKING OPERATORS

- This is entirely inaccurate. Throughout the operation of our consular hotline - the "1-800" service - we had officers available to speak to callers in both Mandarin and Cantonese. Furthermore, on the task force established to deal with the crisis there were further Mandarin speakers available.

ASSAULT ON JAN WONG - PROTECTION OF JOURNALISTS

- We have formally protested the assault on Jan Wong and made it clear to the Chinese authorities that we regard the incident as their responsibility.
- We have not suggested that we are considering the expulsion of Chinese journalists here in Canada as retaliation. What we have made clear to the Chinese government is that we expect them to provide adequate protection for Canadian journalists in China, just as we would provide protection for their journalists here.

HARRASSMENT OF CHINESE STUDENTS IN CANADA

- The appropriate authorities (CSIS) are investigating allegations that Chinese students here in Canada are being harrassed or intimidated in ways inconsistent with Canadian law. This would of course represent unacceptable behaviour, and the SSEA made this clear to the Chinese Ambassador when the latter was called in last Thursday. If any allegations are corroborated, the Government will deal quickly and definitively with the individuals concerned.
(CAUTION - Care should be taken not to imply that the Chinese Embassy has no right to sustain a relationship with Chinese nationals in Canada - they are guaranteed this by international law and we would similarly insist on our right to have contact with Canadian citizens in China.)

EXECUTIONS

- We find the current repression, of which these executions and death sentences are a part, thoroughly abhorrent. The entire world is watching China, and no one is convinced by Chinese assertions that due process is being followed or that those being sentenced to

death are simply "common criminals". It is clear that the trials are being used to intimidate the Chinese population. How we respond to the deteriorating human rights situation in China is part of the policy process now underway.

- (Responsive) It is not the death sentence per se that we are objecting to; while we in Canada have chosen not to retain capital punishment, there are other countries that respect human rights and the democratic process that still have recourse to the death penalty for certain crimes (USA, Japan, Belgium, Ireland). What is abhorrent in the current Chinese situation is that the violence was initiated by the military against peaceful demonstrators, and now those demonstrators are being sentenced to death as part of a general campaign of repression and intimidation in which human rights are clearly being violated.

CANADIAN BUSINESSMAN SUGGESTS TIME "GOOD FOR BUSINESS"

- We understand that a private Canadian businessman has publicly suggested that Canadian businesses should take advantage of the current situation to do business with China, given the pressure to demonstrate that the "Open Door" is still open.
- Private business people are of course entitled to their own views. It is the view of the Government that Canada as a country simply cannot accept that its relations with China can proceed on the basis of "business as usual" given the massacre at Tiananmen Square and the subsequent campaign of repression.

CHINESE STUDENTS - TO BE HANDLED BY MINISTER OF Eandl

- The meeting held in Ottawa on June 16th was generally well-received by participants. The establishment of an "assistance secretariat" (run probably by the Canadian Bureau of International Education - CBIE), to provide information, guidance services, job referrals and financial support to students in need. The creation of an "advisory panel" was also discussed.
- The Minister of Employment and Immigration assured the House on June 21 that Chinese students were not facing the limit of a two-month extension of their visas. The government stands by its commitment that no Chinese student will be forced to return to China under the current circumstances; extensions of visas beyond

the initially-proposed sixty days will be considered most sympathetically.

IMMIGRATION ISSUES - TO BE HANDLED BY MINISTER OF EandI

- We have introduced accelerated immigration procedures for members of the family class who may have been adversely affected by the situation in China, and facilitative measures on a responsive basis for relatives of students currently in Canada. We have strengthened our operations in Hong Kong. Student visa processing for new students interested in coming to Canada is being speeded-up. A visa officer is being dispatched temporarily to the Consulate General in Shanghai. The immigration section in Beijing has resumed operations.

RADIO-CANADA INTERNATIONAL MANDARIN PROGRAMMING

- Radio Canada International has advanced by ten months its plan to begin broadcasting into China in Mandarin. The service began yesterday, June 20th. At a time when Chinese media is falling increasingly under the control of the hard-line propagandists, making accurate information available to the Chinese people is ever more important. *(RCI is not currently being jammed by the Chinese.)*

RADIO CANADA - RADIO BEIJING AGREEMENT

- We do not believe the transmission agreement between Radio Canada International(RCI) and Radio Beijing should be interrupted. Radio Beijing uses the agreement to retransmit Chinese broadcasts into the United States and Central America, and Radio Canada in turn uses a transmitter in Xian, China, to retransmit to Asian audiences.
- As long as Radio Canada International is not impeded in its efforts to broadcast uncensored news into China we would be most reluctant to interrupt Radio Beijings broadcasts to this hemisphere via Canadian transmission facilities. Even if their transmissions are rife with propaganda, we are not worried about listeners in the United States falling prey to that propaganda. On the other hand, keeping the truth flowing into China is very important and we should bear this foremost in mind.

RECALL OF AMBASSADOR DRAKE

- The Government recalled Ambassador Drake for two reasons: the first was to make clear our abhorrence over the massacre in Tiananmen Square and the subsequent crackdown; the second was to permit the Government to benefit from his knowledge and insights in determining what Canada's approach should be in managing our relations with China in the months to come.
- Drake met with the Cabinet Committee of Foreign and Defence Policy Monday morning and with the Standing Committee on External Affairs and International Trade Tuesday afternoon. A meeting with Mr. Turner took place on Tuesday and a meeting with the Nelson Riess, acting leader of the NDP, yesterday.
- Ambassador Drake is scheduled to return to China after about ten days. (He is in fact due to fly back next Tuesday.)

NATIONAL ROUND TABLE AND PRESSURE FOR FURTHER MEASURES

- The "National Round Table" was held Thursday, June 22.
- A select group of business leaders, academics and representatives of the Chinese Canadian and other interested communities was brought together to discuss the situation in China and the Canadian response. *(NOT FOR PUBLIC USE - Both the academic community and the private sector participants at the round table argued for caution in imposing sanctions.)*

GENERAL LINE ON SANCTIONS, AID, EXPORT CREDIT AND TAIWAN

- Both the SSEA and the Prime Minister have publicly made it clear that the government believes care should be taken in the imposition of permanent sanctions, such as the cancellation of cultural or academic exchanges or steps to reduce or eliminate our bilateral programs of trade or development assistance. Such steps could be counterproductive in pushing China towards isolationism and would certainly be premature in the current unsettled environment.

DEVELOPMENT ASSISTANCE - CALLS FOR ELIMINATION

- Our development assistance program is focussed primarily on human resource development and institutional linkages. These are the sorts of relationships that will keep reform alive through on-going contacts and sustained exposure to outside views and influences.
- There are a few projects and programs within the aid area that will be reviewed particularly closely, especially those focussed on technology cooperation and projects that clearly assist the state apparatus.
- We will be examining the possibility of reprofiling our development assistance to maximize its reach into groups within China likely to keep the hope of democratization alive, and possibly extending it geographically into areas in which we are not now active.

INTERNATIONAL FINANCIAL INSTITUTIONS - USA CAMPAIGN

- Given our own decision to postpone signing of new development assistance agreements, we understand and sympathize with the approach being taken by the World Bank and other international financial institutions to defer considerations of new loans to China.

EXPORT CREDIT - CALL FOR ELIMINATION

- Eliminating export credit with China entirely would involve renegeing on Canada's international commitments.
- It is important to sustain linkages with many of the partners that Canadian exporters have been dealing with - these partners are and are likely to remain the strongest proponents for economic reform within China.
- At the same time, we will be considering reprofiling the line-of-credit, and ensuring that all approved credits are focussed on acceptable projects and exports.

TAIWAN - CHINA CRISIS AS JUSTIFICATION FOR FAST ACTION

- Although the current crisis does not suggest that we should be fundamentally re-examining our basic one-China policy, it may well

represent a good opportunity to pursue more aggressively some of the steps we have been planning to pursue commercial and people-to-people exchanges.

- In order not to create irreparable problems in our relations with Beijing, and to avoid the creation of expectations that we will reverse these steps if the situation in China improves, we will still be respect Chinese sensitivities on the form of our relations with Taipei.
- (Not for Parliamentary or public use) We are preparing to increase the size of the Canadian Trade Office in Taiwan, through the seconding of one or two trade commissioners and through the establishment of full visa-issuing at that office beginning next year.
- (Not for Parliamentary or public use) We will also be proceeding with the pursuit of direct air services between Canada and Taiwan.

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- The bilateral relationship, for all practical purposes, is effectively in a state of suspension.
- Measures outlined by SSEA during the Emergency Debate in the House on Monday, June 5:
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- Student visa processing for new Chinese students interested in coming to Canada is being speeded-up.
- A visa officer is being dispatched temporarily to the Consulate General in Shanghai. The immigration section in Beijing has resumed operations and will be strengthened.
- Recall of Ambassador Earl Drake.
- A "National Round Table" took place on Thursday June 22, bringing industrialists, academics, representatives from the Chinese Canadian and non-governmental communities together.

Non-governmental Actions of Interest

- Offer of visiting research fellowships in cosmology to Fang Lizhi and his wife by the **Canadian Institute for Advanced Research** - being kept quiet for time being pending discussions with USA
- Successful effort by two Canadian groups - one in Montreal and one in Vancouver - **to monopolize the Chinese "hot-lines" for informers**, thus giving student leaders and others more breathing time to go underground

**ACTION
QUITE A DONNER**

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---STAFF RETURNS TO PEKIN

PROGRAM MGRS HAVE REVIEWED SUBJ OF RETURN OF EMB STAFF AND FAMILIES AND AGREE AS PER OUR REFTEL

(A) THERE IS NO/NO REASON TO PREVENT SPOUSES TO RETURN WITH SMALL CHILDREN WHO CAN BE EASILY SUPERVISED. SITU IN PEKIN IS CALM, UNDER WHAT IS NOW CLASSIC MARTIAL LAW SITU.

(B) SCHOOL AGE CHILDREN AND GENERALLY THOSE WHO RUN AROUND COMPOUNDS ON THEIR OWN SHOULD NOT/NOT RETURN YET. SOLDIERS AROUND COMPOUNDS PRESENT HAZARD AND IT IS DIFFICULT TO SUPERVISE SUCH CHILDREN TO SUFFICIENT DEGREE. EXAMPLES OF RECENT INCIDENTS: ONE ARMED SENTRY SHOT OFF ROUND OF MACHINE GUN ACCIDENTALLY IN MIDDLE OF NIGHT; FOREIGN CHILDREN FIRED FIRECRACKERS RESULTING IN RUSH OF SOLDIERS AND PLAINCLOTHES POLICE WHO THOUGHT IT WAS GUNFIRE.

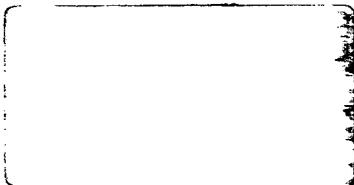
2. FOR ABMR: UNTIL FURTHER ADVICE STAFF AND DEPENDANTS SHOULD BE PICKED UP ONLY/ONLY ON FLIGHTS ARRIVING PEKIN IN DAYTIME. NO/NO EMB DRIVER WILL ACCEPT TO DRIVE TO AIRPORT AT NIGHT BECAUSE OF ARMY CHECKPOINTS.

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SOLDIERS ARE ACTIVELY SEARCHING CARS AT NIGHT ARE OFTEN NERVOUS
(ACCIDENTAL OR INTENTIONAL FIRING CANNOT/NOT BE EXCLUDED).FOR SAME
REASON,ONE SHOULD NOT/NOT EXPECT EMB STAFF TO TRAVEL TO AIRPORT AT
NIGHT.STAFF HAVE BEEN STRONGLY WARNED AGAINST BEING ON ANY ROAD IN
PEKIN AND SURROUNDING AREA AFTER DARK.

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**ACTION
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Division Phoned PNR
Person No reply
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---MFA POSITION ON QUOTE REBELLION UNQUOTE AND CDN REACTION
IN PLACE OF CHARGE, 2ND SEC RECEIVED BRIEFING THIS MORNING FROM MFA
DEP DIV CHIEF OF CDA AND OCEANIA DEPT, HU FENGXIAN. READING FROM
PREPARED TEXT, HU SAID PURPOSE OF MTG WAS TO EXPLAIN WHAT HAD
HAPPENED IN EPKIN ON 04JUN AND TO PUT FORWARD CHINESE POSITION. SHE
SAID CDN GOVT STATEMENTS CONCERNING COUNTER REVOLUTIONARY REBELLION
CONSTITUTED UNILATERAL ACTIONS THAT WORKED TO DETRIMENT OF
DEVELOPMENT OF BILATERAL RELNS AND CHINESE GOVT EXPRESSED ITS
PROFOUND REGRET IN CONSEQUENCE.

2. HU SAID THAT STUDENT DEMOS HAD GONE BEYOND PEACEFUL PROTEST AND
THAT DESPITE THIS, AS ALL DIPLOMATS COULD OBSERVE, CHINESE GOVT HAD
ADOPTED RESTRAINED ATTITUDE. HOWEVER, A SMALL MINORITY HAD
COMMITTED VIOLENT ACTS WHICH TURNED INTO RIOT AND EVENTUALLY
CONSTITUTED QUOTE SHOCKING COUNTER REVOLUTIONARY REBELLION UNQUOTE.
SHE SAID THAT GOVT HAD TAKEN NECESSARY STEPS TO QUELL THIS
REBELLION. HU SAID THAT THIS WAS ENTIRELY INTERNAL AFFAIR AND THAT
EVERY COUNTRY HAD RIGHT TO DEAL IN ITS OWN WAY WITH SITUATIONS THAT

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PAGE TWO WJGR3520, CONF

THREATENED THEIR GOVTS AND PEOPLE. CHINESE SITU WAS VERY
"COMPLICATED, SHE SAID, AND IT WAS NOT/NOT EASY FOR FOREIGN FRIENDS
TO UNDERSTAND REAL PICTURE. FRIENDLY COUNTRIES SHOULD SHOW MUTUAL
RESPECT TOWARDS ONE ANOTHER AND REFRAIN FROM TAKING ACTIONS THAT
WOULD HURT THEIR BILAT RELATIONS.

3. HU EMPHASIZED THAT CHINESE GOVT WAS STABLE AND CAPABLE OF SOLVING
PRESENT PROBLEMS. SHE SAID SITU HAD NOW RETURNED TO NORMAL AND THAT
CHINAS POLICY OF OPENING UP TO OUTSIDE WOULD NOT/NOT CHANGE.

4. SINCE ESTABLISHMENT OF DIPLO RELNS, CDA-PRC RELATIONSHIP HAD
FLOURISHED BUT, HU SAID, THIS HAD NOT/NOT COME EASILY. SHE SAID IT
WAS THEREFORE IN INTERESTS OF BOTH COUNTRIES TO MAINTAIN THESE GOOD
RELATIONS. SHE SAID CHINESE GOVT HOPED THAT CDA WOULD PROCEED FROM
PPOINT OF VIEW OF OVERALL, LONG-TERM INTEREST AND REFRAIN FROM
ACTIONS THAT WOULD HARM RELATIONS OR CONSTITUTE INTERFERENCE IN
CHINESE INTERNAL AFFAIRS. NATL CONDITIONS IN CHINA DIFFERED GREATLY
FROM THOSE IN CDA AND CHINESE ACTIONS HAD BEEN TAKEN IN RELATION TO
THOSE CONDITIONS.

5. IN RESPONSE, 2CND SEC SAID THAT IT WAS PRECISELY BECAUSE CDA
ATTACHED GREAT IMPORTANCE TO RELNS WITH CHINA THAT STATEMENTS HAD
BEEN MADE ON VIOLENT SUPPRESSION OF DEMOCRACY PROTESTS. HE SAID THAT
CDN GOVT HAD MADE IT CLEAR ON A NUMBER OF OCCASIONS THROUGH ITS
OFFICIALS IN OTT AND PEKIN THAT HUMAN RIGHTS ISSUES CONSTITUTED AN

...3

PAGE THREE WJGR3520 CONF

IMPORTANT ELEMENT OF CDN FOREIGN POLICY. CDN GOVT THEREFORE
RESERVED RIGHT TO MAKE STATEMENTS ON THIS QUESTION AS IT AFFECTED
BILATERAL RELNS.

6. CHINESE INTERLOCUTORS WERE OBVIOUSLY GOING THROUGH PRO FORMA
EXERCISE AS BREAK BETWEEN READING OF STATEMENT AND CONVERSATION
THAT FOLLOWED WAS MARKED. CONCERN WAS EXPRESSED FOR SAFETY AND
LIVING CONDITIONS OF CDN DIPLOMATS. IN ATTEMPT TO REASSURE, HU SAID
THAT FORTUNATELY SITU WAS MUCH DIFFERENT FROM THAT ON 03-04JUN. 2ND
SEC REPLIED THAT THIS WAS TRUE AND THAT IT WAS ALSO QUITE EWDUAAF
? "?. '857 ?3 943 03-04JUN. THIS WAS GREETED WITH KNOWING AND
EMBARRASSED SMILES AS MTG BROKE UP.

CCC/078 230730Z WJGR3520



File

**ACTION
SUITE A DONNER**

*I don't
think any
reply needed.
J*

UNCLASSIFIED

FM PEKIN WJGR3519 23JUN89

TO EXTOTT PNR BCM DELIVER BY 230900

INFO CIDA HULL ESC PCOOTT/IAC TT NDEQOTT/DIPOL/CIS ADM/ DE CAF

DISTR MINA USS PGB PND PNC PGP INP CPD IMH

REF YOURTEL WJGR3405 21JUN

---JAN WONG:PRESS ENQUIRIES

ACC	DATE
FILE	DOSSIER
20-1-2- <i>China</i>	
LOC	
A5-	

GIVEN NUMBER OF ENQUIRIES ON RESULTS OF DEMARCHE TO MFA, WE HAVE PROVIDED UPON REQUEST FOLLOWING FACTUAL INFO:

- PROTEST WAS MADE TO INFO DEPT OF MFA ON 21JUN.
- MFA SAID IT HAD NOT/NOT HEARD OF AFFAIR BEFORE READING OF IT IN PRESS AND HEARING FROM CDN GOVT. SAID PROTEST NOT/NOT APPROPRIATE BECAUSE RESPONSIBILITY COULD NOT/NOT BE ASCERTAINED. MFA SAID MATTER WILL BE INVESTIGATED.

-AS TO QUESTION: ARE WE SURE WHO WAS RESPONSIBLE? WE SAID ENQUIRIES ON INTERPRETATION OF EVENT/DEMARCHE SHOULD BE DIRECTED AT PRESS OFFICE/OTT. IT IS NOT POSSIBLE FOR EMB TO SAY WHO WAS IN CAR AND WE EXPECT FURTHER CLARIFICATION OF MATTER WHICH IS OF CONSIDERABLE CONCERN.

2. GRATEFUL ADVISE IF YOU WISH US TO ADD TO PROBABLE FUTURE ENQUIRIES.

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8

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Accession/Référence

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File/Dossier

20-1-2-CHINA

MESSAGE

Align first character of Security Classification under this arrow
Alignez le premier caractère de la Sécurité sous cette flèche

SECURITY SÉCURITÉ C O N F I D E N T I A L 12 10

FM/DE FM EXTOTT PNR1836 22JUN89

TO/À TO PEKIN DELBY230900

INFO INFO HKONG SHNGI

DISTR DISTR PGB PND PNC PGP INP CPD CPP

REF REF YOURTEL WJGR 3509 22JUN89

---CONVOCATION AT MFA TO HEAR TRUE VERSION OF REBELLION
WE AND AMB DRAKE SHARE YOUR REVULSION AT BEING ASKED TO SIT
THROUGH LENGTHY PROPAGANDA SESSION ON QUOTE REBELLION UNQUOTE AND
SUPPORT YOUR DECISION TO BE QUOTE TOO BUSY UNQUOTE.

2. WE WLD NOT WISH HOWEVER TO HAVE ~~OUR~~ RELUCTANCE TO HEAR OFFICIAL
ACCT AFFECT YOUR ABILITY TO CONDUCT NECESSARY BUSINESS WITH MFA
NOR FOR THAT MATTER PROVIDE EXCUSE FOR PRC EMB HERE TO REFUSE TO
RESPOND TO OUR REQUESTS TO COME IN, OF WHICH THERE HAVE BEEN
SEVERAL OVER PAST TWO WEEKS. SUGGEST THEREFORE THAT WHEN NEXT ASKED
YOU AGREE TO MUTUALLY ACCEPTABLE TIME AND IF MTG IS LENGTHY
MECHANICAL READING FROM PREPARED TEXT THAT YOU HAVE AVAILABLE
MAGAZINE OR WHATEVER TO PERUSE UNTIL LECTURE IS FINISHED.

DRAFTER/RÉDACTEUR

DIVISION/DIRECTION

TELEPHONE

APPROVED/APPROUVÉ

BRUCE JUTZI
SIG

PNR/995-8663

HOWARD BALLOCH
SIG
001119

~~CONFIDENTIAL~~



National Defence

Défense nationale

Deputy Minister

Sous-ministre

National Defence Headquarters
Ottawa, Canada
K1A 0K2

Quartier général de la Défense nationale
Ottawa, Canada
K1A 0K2

DATE RECEIVED	DATE REÇUE
JUN 28 1989	
PND	

22 June 1989

PNR - to see on return
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 RECEIVED IN POF
 JUN 27 1989

Mr. James H. Taylor
 Under-Secretary of State for
 External Affairs
 Lester B. Pearson Building
 125 Sussex Drive
 Ottawa, Canada
 KIA OG2

Dear Mr. Taylor:

Further to a recent conversation with and letter from Jean McCloskey, I understand that you are considering expelling the Chinese attaché in Ottawa in order to indicate Canada's displeasure with the recent events in Beijing. The purpose of this letter is to let you know that in our view such action would not only prompt a reciprocal expulsion of our attaché in China, it would also foreclose completely on our very modest defence relations programme with China. In the longer term, neither would be in our best interest.

The medium and longer term implications of any actions must be carefully considered. There is no evidence to indicate that the PLA acted independently in their recent action in Beijing. They, like the police and other "law and order" components in the society, were the instruments of civil power and were acting under direction of the political leadership. Even though the PLA can be accused of using excessive force, I would suggest that any act of censure on our part should be focused on the government as a whole.

Currently the PLA is being established as a professional force. It is an apolitical organization by Eastern standards. It is, as a conscript army, representative of the society from which it is drawn. But it remains an important element in the Chinese power structure. Expelling attachés will simply mean that whatever information Canada has about or influence we would have on the PLA will cease. The real risk is

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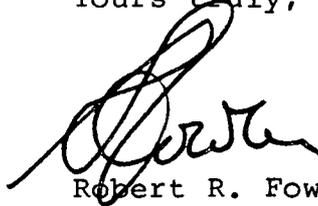
that the negative impact will be greater for Canada than for the PRC. I would also question whether the absence of a CFA in Beijing would have any significant symbolic or political significance outside of Canada.

A reciprocal expulsion of Chinese and Canadian attachés would result in the destruction of the small but developing defence relations programme. Fifteen years of work and corporate experience would be lost. In addition, the PRC might decide to expel all military members of the Canadian Embassy in Beijing. This includes, beyond the CFA office, five military policemen and one mechanic.

The future of China and the status of the PLA are somewhat problematic. Today, even more than before, we need the unique access provided by our attaché in Beijing in order to be apprised of the new direction of this country in transition. The short-term public relations advantage which might be gained by expelling the Chinese attaché makes no sense from a diplomatic, political or military perspective and would be extremely counter-productive to the long-term objective of our civil and defence relations.

I agree entirely with Jean McCloskey's suggestion in her letter of June 20, 1989 that our bilateral defence relations programme with China and the instructions to our attaché in Beijing need to be revisited in the light of recent events. I have, therefore, instructed ADM(Pol) and CIS to initiate a review of our China programme in consultation with the appropriate members of your staff.

Yours truly,



Robert R. Fowler

→ c.c.: Ms. Jean C. McCloskey
Assistant Deputy Minister
Asia and Pacific Branch
Department of External Affairs

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To PNR
De. RGB
KFB
AP
Filing

10 The Edmonton Sun, Thursday, June 22, 1989



Edmonton's Other Voice

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of Circulations
Member

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Carrot diplomacy

Maybe Ottawa is finally learning something about trade and foreign policy.

Last week, Canada's re-called ambassador to China, Earl Drake, admitted that our official attitude to the People's Republic had been "naive."

In our rush to do business with the largest nation on earth, Canada had been only too willing to overlook small failings.

Things like murder, repression and an almost total lack of civil rights.

The massacre in Tiananmen Square may have at last forced Ottawa to deal with this hypocrisy.

The danger, of course, is that our knee-jerk support for the Beijing regime might be replaced with an equally knee-jerk response.

Say, an economic boycott.

"I don't think that would work," Drake told a House of Commons committee.

Jean McCloskey, External Affairs' deputy minister responsible for China, added that "There is nothing to be gained by ostracizing or isolating China."

When you do that, she pointed out, abuse of human rights tends to increase.

Good grief!

Some common sense at last.

We'd like to believe that the total failure of Canada's policy of economic sanctions against South Africa might have had something to do with this blinding revelation.

But that's probably hoping for too much.

In any event, this doesn't mean business as usual with China.

Far from it.

It means that if the old men in charge in Beijing want trade with Canada (and they do), it is up to us to put a price on it.

And that's something we've failed to do in the past.

Cutting current economic ties will do little to help China towards greater democracy.

But expanded trade with China *must* be tied to clear improvements in the civil rights of Chinese citizens.

Hopefully, it's finally dawned on the Mulroney government that trade is a more effective carrot than stick when it comes to influencing odious regimes.

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