

Minister Baird Speech for October 14th

Good morning, and thank you all for coming, Ambassador Lan, Mr. Qing, Chancellor Hughes, Dr. Ng, and distinguished guests.

It is my distinct pleasure to be standing before you all today with the opportunity to discuss Canada-China relations at this conference, which is being co-hosted by the China Institute at the University of Alberta and the Department of Foreign Affairs and International Trade. I would also like to thank Dr. Ng and the Canadian Fund for International Understanding through Culture for helping us to mark and celebrate the 40th anniversary of diplomatic relations between Canada and China. The Cultural Dialogue is an important bilateral meeting that is helping us to both broaden and deepen our relationship with China.

This conference and the Dialogue, not to mention more than 20 other 40th anniversary events in Canada and China, including film festivals, dance performances, photo and art exhibitions, music concerts and economic & financial forums demonstrate the depth of the Canada China relationship. These events, all of which are supported by the Government of Canada, also indicate just how much importance we place on Canada-China relations.

As the Prime Minister told us yesterday, we should be proud of the road that our two countries have travelled together since 1970, when formal relations were established. We should also recognize that the relationship between Canada and China extends all the way back to the late 19th century, and that relations between Canada and the People's Republic were forged in 1961 when Prime Minister Diefenbaker's government authorized an unprecedented deal that led to the export of \$362 million worth of Canadian grain to China. I believe this was a watershed moment as the deal helped both countries and began what has become a very successful trading relationship.

Today, it is clear that Canada and China have a friendship that is built on the basis of equality and mutual respect, and that our two countries share extensive common interests.

It is a relationship strengthened by extensive people to people ties, with over 1.3 million persons of Chinese origin residing in Canada and more than 50,000 Chinese students studying at Canadian academic institutions.

It is a commercial relationship that is forever growing, made evident by the six new trade offices Canada opened in China last year in Shenyang, Qingdao, Chengdu, Nanjing, Wuhan, and Shenzhen. The opening of these offices is evidence of the priority our country places on doing business with China – our second largest trading partner and the second largest foreign direct investor in Canada in 2009.

As I look to the future, I would like to draw on the messages the Prime Minister delivered to us in his speech yesterday afternoon. And please forgive me if I reiterate many of the good words spoken by Prime Minister Harper.

It is clear to me that bilateral and multilateral relations with China will need to evolve in line with two key realities. The first is the fact that China has emerged as a global economic and political power. The second is that our two countries' importance to each other will continue to rise for many years to come since there are many opportunities for cooperation in areas such as education, natural resources, energy, health, environmental technology and cultural industries.

These two realities have important implications for our cooperation on global security and for Canada's prosperity. In particular, they mean that we need to work with China to ensure that its booming economy is open for business. While in the past we were largely focussed on ensuring a smooth and fair environment for bilateral trade, as we move forward we need to simultaneously ensure that Canadian companies are able to compete on a level playing field within China's domestic economy.

Furthermore, we need to encourage Chinese investment in Canada that is a net benefit to our economy in terms of job creation, innovation, and productivity. It is this government's firm belief that by having open, fair, and predictable economies, our two countries will continue to grow and prosper together.

In terms of global security, we need even stronger bilateral and multilateral cooperation as the forces that threaten international peace and stability require a truly global effort to combat. Whether we are talking about the political stability of Afghanistan, peacekeeping cooperation or rapid response to pandemic disease outbreaks, Canada and China will need to work together in order to ensure a better world for our children. And while these challenges may seem daunting, we are facing them and I am convinced that we will overcome them.

Moreover, I am pleased to state that we have already made significant headway by building a strategic partnership with China that is comprehensive in nature. On the bilateral front, we have been engaging China with an intense pace of high-level visits. In the past six months alone, 10 members of the cabinet in addition to the Governor General travelled to China. This makes a total of 22 high-level visitors in both directions in 2010. Prime Minister Harper himself travelled to China last December with the goal of advancing our strategic partnership. During his visit, he succeeded in opening China's markets to Canadian pork and Canada's tourism sector to Chinese visitors.

Our strategic partnership was reinforced when President Hu visited Ottawa in June. Together, Prime Minister Harper and President Hu witnessed new agreements on environmental protection, energy conservation, law enforcement and Canada's Status as an Approved Destination for Chinese nationals. During this visit, Canada and China also agreed to increase two-way trade to \$60 billion by 2015.

In spite of these tremendous successes however, we must keep moving forward and we must continue to capitalize on the fact that Canada and China have complementary economies. It is no secret that China's emergence has been accompanied by an equally impressive thirst for natural resources and energy. Canada has these goods in abundance. Moreover, our Asia-Pacific Gateway project, which created the best and fastest way to ship goods to and from North America and Asia, allows us to seamlessly ship these goods to China's market.

So, as you can see, we have much work to do, but we also have every reason to be confident about the future. Our rich history with the People's Republic that was forged during the Cold War is evidence of the mutual trust and friendship that lies at the core of Canada-China relations. This background is the reason why we can have frank discussions on important topics like human rights, the rule of law and governance. Furthermore, our experience building up the strategic partnership in the past year has brought this relationship to the next level and demonstrated how quickly we can take dramatic steps forward. And our very deep pool of people-to-people ties provides us with the knowledge and capacity to make even bigger strides in the years to come.