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Legislative Association



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**Report of the Canadian Parliamentary Delegation
respecting its participation at the
Co-Chairs' Annual Visit to China**

Canada-China Legislative Association

**Beijing, Xining, Lhasa and Chengdu,
People's Republic of China**

April 1 to 11, 2010

Report

The Co-Chairs of the Canada-China Legislative Association (CCLA), the Honourable Joseph A. Day, Senator, and Mr. Daryl Kramp, M.P. conducted the CCLA annual Co-Chairs visit to China from April 1 to 11, 2010. During this time the Co-Chairs had the opportunity to visit Beijing, Xining, Lhasa and Chengdu. While in Beijing, the Co-Chairs met with their counterparts in the Chinese branch of the CCLA. The Co-Chairs were accompanied by Ms. Elizabeth Kingston, Executive Secretary to the CCLA.

Objectives:

The objectives of the visit were:

- to continue the renewal and reinvigoration of the CCLA relationship following the 12th Bilateral Meeting of June 2009;
- to apprise the Chinese of the political situation in Canada;
- to learn more about Chinese-Canadian business, cultural and political links, and to promote enhanced cooperation at all these levels;
- to discuss the objectives and parameters for the 13th Bilateral Meeting scheduled to take place in China in September 2010 and the 14th Bilateral Meeting to take place in October 2010 in Canada,
- to plan the celebration of the 40th Anniversary of the establishment of diplomatic relations between Canada and China; and
- to promote friendship and the normalization of regular opportunities for dialogue with Chinese counterparts.

Beijing:

The delegation arrived in Beijing shortly after the closing of the Third Session of the Eleventh National People's Congress. Premier Wen Jiabao delivered the final address, which included the following seven priorities for China for the upcoming year: exercising better macro-control and maintaining steady and rapid economic development; accelerating the transformation of the pattern of economic development and adjusting and optimizing the economic structure; improving the balance between urban and rural development and strengthening the foundation for the development of agriculture and rural areas; fully implementing the strategies of reinvigorating China through science and education and strengthening the nation through human resource development; energetically promoting cultural progress; vigorously ensuring and improving people's well-being, and promoting social harmony and progress; and finally advancing reform and further expanding opening up of the country. Premier Wen stated that despite the severity of the world economic crisis, China's economy was the first in the world to

make a turnaround, with GDP increasing by 8.7% over the previous year. Given the fact that exports had decreased significantly, this was achieved in the domestic realm by expanding consumer spending by offering subsidies for rural residents to purchase home appliances and motor vehicles and exempting taxes on the buying and selling of houses. Of particular note to the delegation was the reference to the earthquake affected area near Chengdu, in Sichuan Province, one of the destination points for the present visit. Premier Wen stated that the badly damaged areas have taken on a brand new appearance, with new towns rising out of the rubble. This was clearly evidenced by the Co-Chairs, with the contribution of Canada in the re-building effort clearly recognized and appreciated, especially in the re-construction of the Xiang E Primary School in Dujiangyan, built with wood from British Columbia. Canada was the second largest contributor world-wide to the relief and re-construction effort.

Xining, Qinghai Province:

The delegation members proceeded to Xining, Qinghai Province. Prior to boarding the Bombardier train from Xining to Tibet, the Co-Chairs met with the Vice-Chair of the Standing Committee of the Qinghai Provincial People's Congress, Ang Mao. Xining, the capital of Qinghai Province, has for centuries been the major commercial hub on the caravan route to Tibet. An important hinge between the Central Plains and the western part of China, Xining was the strategic link in the Silk Road, and continues to be an important rail and road link to the hinterlands of the Qinghai-Tibet Plateau. Canada is extremely proud of its contribution to this most significant rail link in China. Xining has a population of more than 2 million people, with over 37 nationalities represented, including Tibetans, Monguor, Muslims and Han.

Lhasa, Tibet Autonomous Region (TAR):

Lhasa, known literally as the Place of Gods, is the capital of Tibet, and the centre of political, economic, cultural and religious activities. It boasts many historic sites and relics, among them the Potala Palace, the traditional seat of the Dalai Lama, the Jokang Temple and Barkhor Street. The Co-Chairs had the opportunity to visit all such sites, as well as the Tibetan Birth Attendant and Maternal-Child Health Awareness project, funded by CIDA. They also visited the University of Tibet, a Tibetan natural medicine hospital, as well as several local private enterprises and Tibetan residential buildings.

While in Lhasa, the Co-Chairs also met with the Vice-Chairman of the Standing Committee of the Tibet Autonomous Region, Mr. Xinza Danzengquzha, whom they had met previously in Ottawa when he led a delegation to Canada in March of 2009. Mr. Danzengquzha stated that Tibet, located in the southwest part of China, has a population of 4.8 million people, including 45 ethnic groups, with Tibetans forming 95% of the overall population.

He stated that Tibet experienced a peaceful liberation in 1951, with democratic reform following in 1959, and the establishment of the Tibet Autonomous Region in 1965. In 1979, the TAR became the first Autonomous Region established at the provincial level within the Chinese Government hierarchy. With these many years of support from the Central Government, much progress has been made, especially in the areas of housing and living conditions, the economy, social reforms and cultural preservation of the Tibetan language and culture. The Tibet Autonomous Region (TAR) witnessed a tremendous growth of 12.3% GDP in 2009, continuing in its double digit growth over a 17 year period. Along with economic growth, the average life expectancy has increased from 35.5 years of age in 1959 to 75 years of age presently.

The Provincial Congress of the TAR has devoted much of its work to the adoption and implementation of laws governing elections, marriage, and education. Schools offer courses in both the Tibetan and Mandarin languages as well as English, and all official documents are available in both Mandarin and Tibetan. Reference was also made to the task of coding the Tibetan language, noting that it is the first ethnic minority language to have international standards in China. Moreover, the TAR, with the support of the central government and of the various ethnic groups in Tibet, has worked to implement a long-term strategy of creating a moderately prosperous society that has been of benefit to all Tibetan people. This was particularly noted by the Co-Chairs when visiting the housing project, sponsored by the TAR as well as several successful enterprises.

The Co-Chairs noted the important contribution of CIDA in providing financial support to train those involved in the birth and health of children in remote areas of Tibet, as well as its sponsorship of the Tibetan Birth Attendant and Maternal-Child Health Awareness project in Lhasa, whose important work has led to a marked decline in infant mortality rates throughout Tibet.

The issue of mining ventures in Tibet, particularly those where Canadians have exercised a significant contribution both in terms of financial investment and expertise was discussed. It was agreed that by working together, both Canada and Tibet could stand to improve significantly the GDP of both countries. Both Canada and Tibet boast a wealth of natural resources and Canada offers a tremendous expertise in the exploitation of such resources.

While in Lhasa, the Co-Chairs had the opportunity to visit the University of Tibet. Initiated in 1985, it opened its new campus doors in 2005 with monies from the Central Government. Its Reading Room houses manuscripts dating back to the 1300's and work is ongoing to preserve and digitalize over 200,000 manuscripts. The University presently offers degrees in seven major areas of study: Tibetan Language; Chinese and English; Politics and History; Mathematics and Physics; Chemistry, Biology and Geography; Tibetan Art and Music; Economics Management; a total of 19 subjects. The

University has also been actively involved in scientific research programs throughout the country as well as the Tibet Autonomous Region.

The University also has developed an innovative program of transcribing verbal messaging to on-screen format, thereby allowing the capture of important historical remembrances of the Tibetan language and culture by those whose stories would not otherwise be captured, due to the elevated illiteracy rate amongst older Tibetans in particular. It also has initiated a translation operation system to allow for the translation of documents from Tibetan to Mandarin.

The Co-Chairs also visited the Traditional Tibetan Medicine Hospital, where they were given a lecture on traditional Tibetan medical practices dating back over 2300 years. Derived from both Indian and traditional Chinese medical practices, it is an intriguing combination of both astronomy and medicine. The hospital itself was established in 1959 as a teaching hospital and concentrates on two major areas; cardiovascular medicine and acupuncture, based on disease prevention formulated through centuries of historical knowledge. The Co-Chairs stated that healthcare is the number one priority in Canada, with 25% of the overall federal budget and 46% of provincial budgets being devoted to providing healthcare to all Canadians.

Chengdu, Sichuan Province:

The Co-Chairs received a briefing by Mr. Ryan Baerg, Consul, Canadian Consulate in Chongqing.

Chongqing has become the centre for the further development of the western part of China due primarily to its strategic location on the Yangtze River at the head of the reservoir behind the Three Gorges Dam. Foreign investment in Chongqing is growing rapidly and it has become a "Gateway to the west". The region has been named a municipality and boasts the largest population of all four municipalities in China with over 30 million people. Moreover, it has been declared a special free trade economic zone, allowing for the escalated economic growth of this powerhouse within China. In fact, foreign investment in the region has risen 160% each year over the last several years. It has become the new engine of growth for the future. In recognition of this, Canada has established a consulate in Chongqing to facilitate the entry of Canadian investment into this tremendously important marketplace. The Consulate also serves the city of Chengdu, in Sichuan Province, which is part of this economically strategic zone. Canadian investment has been focussed on the automotive, including vehicle parts, education, high tech and green technology sectors.

The GDP growth of both Chengdu and Chongqing has grown on an annual basis by 14%, compared to 8.5% nationwide. Notwithstanding the world economic crisis, this

growth has been fuelled by a migration of over a half a million workers on an annual basis from rural areas of China. Moreover, in an effort to boost domestic growth and counteract the effects of decline in the export market, the central Government has offered its citizens incentives to buy vehicles, electronics, and other machines. Given the popularity of migration to this region, it has profited much by these central government policies.

Sichuan Province was the site of the of a 7.9-magnitude earthquake in May 2008, killing about 70,000 people and leaving over 18,000 missing. Over 15 million people live in the affected area, including almost 4 million in the city of Chengdu. Canada was the second largest contributor to the relief fund, with the Canadian Government matching 30\$ million raised by individual Canadians. Moreover, the province of British Columbia contributed to the reconstruction effort by coordinating the re-building of the Xiang'E Primary School in Dujiangyan, built with Canada Wood Structure technology. The Co-Chairs had the opportunity to visit the school, and the Canada's efforts were clearly appreciated.

The Co-Chairs then visited the Dujiangyan irrigation system on the Min River. This system is one of the oldest irrigation systems still in operation. The project began in 256 BC when Li Bing and his son, Er Lang, diverted the river into a man-made channel and constructed a system to control flooding and remove silt. It was put on the World Heritage List in 2000. They also had the opportunity to tour a CIDA sponsored rural environmental protection and drinking water safety project near Chengdu. The initial CIDA investment amounted to 37,000\$. It was expressed that such a successful environmental conservation model, considered a self-sustaining irrigation project that not only served to improve the water quality in the Min River but also provided water for living and growing crops, could be initiated in other regions of China.

Canada has also entertained discussions with China about the possibility of having the loan of a panda to be housed at its zoos in Toronto, Granby and Calgary. The Co-Chairs had the opportunity to visit the Panda Base in Chengdu and were urged to raise the issue with both the Sichuan Provincial People's Congress and the Central Government.

During the meeting with the Sichuan Provincial People's Congress, the Co-Chairs raised the hope that an agreement could be reached with respect to the loan of a panda to Canada, especially given the fact that the approved destination status agreement had been concluded between the two countries. They also remarked upon the tremendous re-building effort undertaken by the Province over the two year period since the earthquake and congratulated the Vice-Chairman on the progress made in this regard.

Meeting with Zhao Jinjun, Vice-Chair of the Foreign Affairs Committee of the Chinese People's Political Consultative Conference (CPPCC):

The Chinese People's Political Consultative Conference, or CPPCC, is a political advisory body in the People's Republic of China. The organization consists of delegates from a range of political parties and organizations, as well as independent members in China under the leadership of the Chinese Communist Party (CPC). It is composed of the CPC, other political parties, organizations, representative public figures, former Chinese ambassadors and other specially invited people. All levels of government compose the CPPCC, from the national, to the provincial, municipal and county representation. With the first session of the National People's Congress in 1954, the CPPCC assisted the party and the government in achieving socialist transformation and in increasing international exchanges and contacts. Mr. Zhao is President of the Chinese University of Diplomacy and former Chinese ambassador to France.

Both sides expressed the interest in developing a closer collaboration, particularly given that Canada and China are celebrating 40 years of the establishment of diplomatic relations between the two countries. It was expressed especially that both countries could collaborate in the areas of mining, the environment, nuclear technology, and infrastructure development.

Meeting with the China International Cooperation Association of Small and Medium Enterprises (CICASME):

Small and medium-sized enterprises in China (SME's) have formed the backbone of the Chinese economy and have assisted greatly in many socio-economic reforms of the country. The Chinese government has been placing special emphasis on supporting and strengthening SME's through the creation of several institutions. The CICASME is the first of these institutions, founded in 1990, and led by Chairman Zheng Silin, Chair of the China-Canada Legislative Association (CCLA).

CICASME has accomplished much in the 20 years since its founding. In the area of policy development, it has carried out extensive research that has laid the foundation for the formulation of a regulatory framework, assisted in the development of laws for the promotion of SME's in China, and has worked with other countries in carrying out projects of mutual interest and benefit. Moreover, it has been of great assistance to Chinese SME's in developing their global markets, has held exhibitions and forums abroad, and has provided opportunities for foreign SME's to break into the Chinese marketplace. CICASME expressed an interest in establishing a firmer collaboration with Canada. Discussions concerned the possibility of future collaboration, and it was suggested that a practical approach of matching potential business partners both in China and Canada, in the area of green technologies would be a means to initiate a future exchange.

Meeting with Hua Jianmin, Vice-Chair of the Standing Committee of the National People's Congress:

Both sides stated that the visit of the Prime Minister had done much to foster the already strong Canada - China relationship and agreed that people to people diplomacy between the two countries as actively promoted by the CCLA has done much to bring about a spirit of mutual understanding and respect. It was noted that the CCLA is the most active and robust Association within the National People's Congress. Exchanges between Canada and China are always given high priority.

The Co-Chairs remarked both upon the progress made in Lhasa particularly in terms of infrastructure, housing, and education and the effective re-construction effort in Sichuan Province since the May 2008 earthquake. Canada's contribution to the earthquake was most appreciated, especially since the country was the second greatest foreign contributor.

The economic recovery in China has been steady since the world economic crisis, with China overall experiencing a recovery rate of 8.5% GDP. The challenge for China is to maintain at least this level of recovery, and to accomplish it by bolstering domestic spending, given that export markets have been substantially weakened.

Vice-Chairman Hua stated that officials from the National People's Congress have been monitoring the implementation of stimulus spending monies given to the provinces and in so doing, have been travelling to all regions of China.

Zheng Silin – Executive Vice-Chairman of the Foreign Affairs Committee and Chinese Chair of the China –Canada Legislative Association:

The Co-Chairs remarked upon the importance of the meeting with CICASME, and hoped to arrange for the opportunity of having Canadian businesses engaged in energy, environmental and sustainable development enterprises establish links with potential Chinese counterparts. They also discussed the issue of the loan of a panda to Canada with Chairman Zheng agreeing that it would do much to continue to foster the already vibrant Canada-China relationship, particularly as both countries look to celebrate the 40th anniversary of the establishment of diplomatic relations.

Both sides also discussed the upcoming bilateral meetings of the CCLA. It was agreed that the Co-Chairs would lead a delegation to China in September, 2010 on the occasion of the 13th Bilateral Meeting, and Chairman Zheng would then lead a delegation to Canada in October 2010 for the 14th Bilateral Meeting. The visit to Canada would also celebrate the 40th Anniversary of the establishment of diplomatic relations between the two countries with a forum **China on the Hill**, designed to bring together academics, politicians, business people, diplomats and public servants to discuss the importance of the Canada-China relationship on a myriad of levels.

Miscellaneous:

While in Beijing, the delegation had the opportunity to meet with students and officials at Renmin University. Otherwise known as the People's University, it is commonly considered as one of the top universities in China, with a distinct focus on humanities and social sciences. Renmin University is particularly known for its strength in law, economics, and journalism. The Co-Chairs also had the distinct opportunity to attend the reception marking the joint venture between Manulife and TEDA Fund Management. This joint venture clearly signals the growing partnership between Canada and China. Co-Chair Daryl Kramp delivered remarks on behalf of the Government of Canada during this event.

Conclusion:

This visit to China was an excellent opportunity for the Co-Chairs of the CCLA to expand further their knowledge of and contacts in China and to conduct essential research for the upcoming 13th bilateral visit to China, scheduled to take place from September 9 to 18, 2010. It was also vitally important to the planning of the 14th bilateral visit of the CCLA to Canada from October 15 to 21, 2010, especially in light of the 40th anniversary of the establishment of diplomatic relations between the two countries. Moreover, it offered the opportunity to strengthen, reinforce and reinvigorate the already robust relationship that exists between Canada and China as fostered through visits of this kind by the CCLA. A summary of the travel costs is appended to this report.

Respectfully submitted,

Hon. Joseph A. Day, Senator
Co-Chair
Canada-China Legislative
Association

Mr. Daryl Kramp M.P.
Co-Chair
Canada-China Legislative
Association

Travel Costs

ASSOCIATION	Canada-China Legislative Association
ACTIVITY	Co-Chairs' Annual Visit to China
DESTINATION	Beijing, Xining, Lhasa, Chengdu, China
DATES	April 1 st to 11, 2010
DELEGATION	
SENATE	The Honourable Joseph A. Day, Senator
HOUSE OF COMMONS	Mr. Daryl Kramp, M.P
STAFF	Ms. Elizabeth Kingston, Executive Secretary to the CCLA.
TRANSPORTATION	\$21,439.88
ACCOMMODATION	\$4,237.55
HOSPITALITY	\$314.68
PER DIEMS	\$1,928.07
OFFICIAL GIFTS	\$1,029.74
MISCELLANEOUS / REGISTRATION FEES	\$1,232.76
TOTAL	\$30,182.68

APPENDIX A

List of people who met with the Co-Chairs of the Canada-China Legislative Association during the 2010 Co-Chairs' Annual Visit to China Beijing, Xining, Lhasa and Chengdu, China

Zheng Silin, Vice-Chairman of the Foreign Affairs Committee of the National People's Congress and Chair of the China-Canada Legislative Association

Ang Mao, Vice-Chair of the Standing Committee of the Qinghai People's Congress

Xinza Danzengquzha, Vice-Chairman of the Standing Committee of the Tibet Autonomous Region (TAR)

Wang Yukun, Vice-Chairman of the Standing Committee of the Sichuan Provincial People's Congress

Luo Linshu, Chairman of the Foreign and overseas Chinese Committee of the Sichuan Provincial People's Congress

Tang Hong, Vice Director General of the Sichuan Provincial People's Congress
Department of Foreign Affairs

Zhao Jinjun, Vice-Chair of the Foreign Affairs Committee of the Chinese People's Political Consultative Conference (CPPCC)

Xia Jihui, Director General, Office of the Foreign Affairs Committee of the National Committee of the Chinese People's Political Consultative Conference (CPPCC)

Yuan Pu, Director General, China Centre for Business Cooperation and Coordination (CCBCC); Secretary General, China International Cooperation Association of Small and Medium Enterprises (CICASME)

Han Jian, Director of the Secretariat, China Centre for the Promotion of SME Development, Ministry of Industry and Information Technologies of the People's Republic of China, China International Cooperation Association of SME's (CICASME)

Hua Jianmim, Vice-Chair of the Standing Committee of the National People's Congress

Ji Baocheng, President / Professor Renmin University, Member of the Academic Degree Committee of the State Council; Vice-President of the Chinese Association of Higher Education; Vice-President of the China Education Association for International Exchanges

Wang Liming, Member of Law Committee of the National People's Congress and Vice-President of Renmin University