



Canada-China Friendship Society®

Ottawa Chapter
PO Box 8461, Post Office Terminal – Ottawa, Ontario K1G 2H9

Founded 1976

January Newsletter

2007 – No. 1 ISSN 1496-6816

President: Lolan Wang Merklinger

E-mail: Lolan.Merklinger@sympatico.ca

Year of the Pig - New Year's Banquet

Sunday, February 11, 2007 at 6:00 p.m.

A traditional Chinese New Year Celebration Banquet
at the MANDARIN OGILVIE RESTAURANT

Details and reservation form on page 5.

Canada's Lunar New Year Stamp Series

*by Irene K. Ip**

While most Canadians were recovering from New Year parties and trying to get back to their routines during the first week of January, a significant number were preparing to celebrate the beginning of the lunar year on February 18. Since 1997, Canada Post, on behalf of all Canadians, has paid homage to the traditional Chinese festival—popularly recognized as the Spring Festival—by issuing a special series of stamps in early January. The stamps are released at least three weeks ahead of the start of the Chinese lunar year, giving the public plenty of time to make their purchases for gifts and mailing. In this year's issue celebrating the Year of the Pig, there is a 52-cent domestic-rate stamp and a \$1.55 international-rate stamp. Next year's release for the Year of the Rat will complete the 12-year cycle of this project.

As Jim Phillips, Director of Stamp Services at Canada Post, tells it, the idea of the Lunar New Year stamps came from Canada Post's marketing team after a lengthy gestation period. The team had been exposed to Chinese philatelic activity for some years. They had worked with the People's Republic of China (PRC) State Post Bureau on the joint issue of the two Dr. Norman Bethune commemorative stamps in 1990 and Canada had also participated in a Beijing stamp exposition. Furthermore, some non-Chinese countries - *continued over page*

** Irene Ip was an economist and Chief Forecaster at Wood Gundy, Inc. and a senior policy analyst for the C. D. Howe Institute in Toronto when she took a senior position at the Bank of Canada in Ottawa. She is a member of our Society.*

such as the United States and Australia, had begun producing stamps to celebrate the Chinese New Year.

The team saw that Canada, with its large ethnic Chinese population, might be ready for a similar series. Unfortunately, with two to three years lead time needed from conception to release, the team missed the first year of the cycle in 1996, the Year of the Rat. Rather than wait 11 years, it was decided to begin in 1997 with the second in the series, the Year of the Ox.

CCFS member and former diplomat Gilliane Lapointe was, in 1996, coordinator of an initiative of the Department of Foreign Affairs and International Trade called Canada's Year of Asia Pacific (CYAP). Gilliane explained that the idea of CYAP was developed as Canada was preparing to host the Asia Pacific Economic Cooperation (APEC) forum at the end of 1997 that was meant to encourage Canadians to learn more about and establish links with a region "seen as certain to dominate the 21st Century." Canada Post's Lunar New Year stamp issue "became a welcome and significant CYAP event."

Jim Phillips explained that extensive research had to be undertaken before the new series was launched. As Hong Kong had a long history of issuing commemorative stamps for the Lunar New Year, it made sense to seek advice from that source. In informal consultations, Hongkong Post alerted Canada to factors that needed to be taken into account in the designs: the relationship between each of the twelve zodiac signs and the five elements of the universe (gold/metal, wood, water, fire and earth), the importance of lucky numbers, and colours that should be avoided. However, when it came to the artistic design of the stamps, Canada Post had its own ideas. Unlike the Hong Kong issues, which had a similar presentation each year, the annual Canadian issues were varied. The 12-year cycle of stamps would be the most ambitious undertaking that the Corporation had ever undertaken and it recognized its golden opportunity to

- continued on page 3



Two frolicking pigs with cloisonné style gilding in a souvenir sheet issued by Canada Post to mark the Year of the Pig, January 5, 2007

produce designs that would surprise and delight the public each year, while increasing appreciation among Canadians for the tradition of the Chinese zodiac.

From the outset, Canada Post had decided to issue a souvenir sheet that would depart from the rectangular form of Canada's other commemorative issues. Each year's sheet would have a shape with oriental influence—for example, the lantern shape this year. This feature also differentiated the Canadian issues from those of other countries, such as the United States.

Once the Canada Post team was satisfied that the Ox design for the 45-cent stamp would be acceptable to the ethnic Chinese community, 16 million were printed. Since the international rate was twice the domestic rate, the souvenir sheet contained two 45-cent stamps set in a fan-shaped frame. See the illustration on page 7. Jim Phillips says the Canada Post stamp services personnel were “bowled over” by the enthusiastic response. There were line-ups at postal outlets across the country and many outlets sold out their stock in the first day. Although demand varies from year to year, the Lunar New Year stamps remain the most popular product that Canada Post has ever created but most of the stamps are bought for reasons other than mail, with a constant large demand from overseas collectors.

The reception of the Year of the Ox stamps led Canada Post to order 19.6 million stamps for the following year (Tiger). When this quantity turned out to exceed demand, the run was scaled back in 1999. In 2000, the combination of the Year of the Golden Dragon and the Millennium was expected to generate demand of around the same number as the first year but Canada Post was surprised again—by an even stronger response. Since 2004 the print run of the domestic-rate issue has been kept to 8 million. The lower figure reflects a general softening of the philatelic market in industrialized countries.

- continued on page 6

China's Economic Growth and Its Challenges – a CCFS

presentation by Dr. Sen Wang, economist with the Privy Council Office, Ottawa Library and Archives Canada, January 11

Dr. Wang presented a detailed account of the major characteristics of the Chinese economy including its size, population and GDP per capita in comparison with similar measures for Canada.* Important Chinese characteristics are its growth rate: 10.6% with GDP reaching US\$2.5 trillion in 2006. China's growth rate since the late 1970s has averaged about 10% annually and it has now surpassed the UK to become the world's fourth largest economy. The total value of its merchandise trade reached US\$1.75 trillion in 2006 with a surplus of US\$150 billion. China runs large trade surpluses with its major trading partners and is competing with Germany to become the world's second largest trading partner, second only to the U.S.

Foreign direct investment was US\$86.1 billion in 2005, roughly doubling the level of 2001. China's foreign exchange reserves reached \$1 trillion in late 2006 overtaking Japan to become the world's biggest holder of foreign exchange reserves. Not surprisingly, China's GDP is dominated by the manufacturing sector: primary 12.6%; manufacturing 47.5%; service 39.9%.

China's *major challenges* include demographic pressures, growing energy shortage – particularly oil, disparity in regional development, environmental degradation and social inequality. The population will grow by 8 - 10 million people per year until the mid 2030s when

it is expected to peak at 1.46 billion. Due to strong economic growth, China's demand for energy is surging rapidly. China is the largest producer of coal in the world which represents up to 70% of its total primary energy consumption. It accounts for about one third of the world's total coal output but 80% of the total number of coal mine casualties.

China produced 3.8 million barrels of oil per day in 2006, compared to consumption of 7.4 million barrels per day. Fifty percent of its oil demand depends on imports. It is the world's second largest energy consumer behind the U.S., and the third largest importer of oil behind the U.S. and Japan. Major sources of Chinese crude oil imports include Africa, the Middle East and Russia, with Angola replacing Saudi Arabia as the largest source of crude oil imports in 2006.

China produced 17% of the world's carbon dioxide emissions from energy in 2004. It plans to reduce energy consumption by 20% during the 11th five-year-plan period (2006-2010). In 2006, the government closed down more than 5,000 small-scale coal mines that had poor safety records.

China's *mega infrastructure projects* include the west-to-east natural gas pipelines, the Qinghai-Tibet railway, The Three Gorges Project and the South-to-North Water Diversion. Running 3,900 km from Xinjiang to Shanghai, the pipelines began construction in 2002. The project is designed to supply 12 billion cubic metres of natural gas: 10 billion cubic metres to the Yangtze Delta region and 2 billion cubic metres to the provinces along the routes of the pipelines. The Three Gorges Dam is the world's largest hydroelectric project with 26 separate 700 MW generators for a total of 18.2 GW. It also offers advantages of better flood control and improved navigation.

China's water resources are distributed unevenly, with per capita availability 990 cubic metres in the North, 3,000 cubic metres in the South, and 110 cubic metres in the arid western region. By 2005, 61.3% of China's rural population had access to tap water. The South-to-North Water Diversion Project will require an investment of U.S.\$60 billion and result in the resettlement of 400,000 people.

Jiangsu province has attracted the biggest foreign investment in China, followed by Guangdong, Shandong, Shanghai and Zhejiang.

Starting from Deng Xiaoping's famous dictum in the 1980s: "To Get Rich is Glorious", President Hu Jintao has set as his goal the "Harmonious Society" which comprises the following elements: putting people first; reasserting socialist concerns for equality (i.e., trying to narrow the gaps between rich and poor, easing the social tensions that have accompanied the country's incredible economic expansion, and reducing speculative investments); finally, treating the fight against corruption, one of China's biggest social issues, as a top priority.

In concluding, Dr. Wang observed that "Understanding China requires imagination and is not easy." His impressive grasp of performance indicators, changing social and economic conditions and the new developments in China's fast paced economy has made understanding a whole lot easier. Thank you Sen!

New Members – A warm welcome is extended to the following new members: Ms. Dennise Albrecht and Mr. Arthur Cordell, Mr. Xiao-zhou Chen, Dr. Shiyu Li and Ms. Rosie Feng, Mr. Shuhua Liu, Mr. Brien St.Jacques, Mr. Peija Shen and Ms. Alice West who has rejoined.

Two Canadian Ministers emphasize strong Canadian focus on China!

“I would characterize it as re-energizing a relationship that has been very deep and very strong for a long time.”

- David Emerson, Minister of International Trade, speaking at a News Conference in Beijing, January 16, 2007

“We have a tremendous opportunity before us, and our two governments are working together to seize this opportunity. China is an economic giant whose reach and influence continue to expand around the globe. Canada, on the other hand, is an emerging energy superpower, is a centre of excellence in science and technology, and is a natural gateway to the largest market in the world. The mutual benefits are obvious.”

- Jim Flaherty, Minister of Finance, Press Release, Beijing, January 17, 2007

“We want to engage the Chinese and open the door further for businesses in both countries. That’s why I’m here.

“We have the second largest oil reserves in the world and the third largest natural gas reserves. And this certainly, from what was said to me, is a matter of interest to them... over time, I expect we’ll have substantial trading relationships in that way.”

- Jim Flaherty, Minister of Finance, speaking in Beijing, January 19, 2007

Year of the Pig Banquet - Sunday, February 11 at 6 p.m.

RESERVATIONS REQUESTED

List your Name(s) and that of your Guests

Please also note under the letters VEG if you or any of your guests are vegetarian.

Name	Members @\$30	Non- Members @\$36	Born in the Year of the Pig: 1923, 1935, 1947, 1959, 1971, 1983 or 1995? If yes, check below. VEG?		Cost
Total participants:				Cost:	
Membership renewal fee(s):		Family - \$25	Single - \$20		
				Total:	

Name(of person reserving): _____ Home tel: _____

E-mail address: _____ Work Tel: _____

Please make your cheque payable to CCFS-Ottawa, New Year Banquet and mail it with this reservation form to: John Hilliker, 1555 Caledon Street, Ottawa K1G 0H9, tel. 613-733-6721 or Lolan Merklinger at 705-175 Laurier, Gatineau QC J8X 4G3, tel. 819-777-8434.

Canada's Lunar New Year Stamp Series – continued from page 3

Jim Phillips says the design team faced another challenge in 1999. While increases in the domestic rate had to be no higher than the rate of inflation, the international rate was allowed to move closer to the rates used by other countries, necessitating a separate international-rate stamp. It was decided to issue a 46-cent and a 95-cent stamp for the Year of the Rabbit, each bearing the same design but differing in size. The souvenir sheet featured the single international-rate stamp.

A similar approach was taken for 2000 but now, in addition to the international-rate dragon stamp, which was on the left, the souvenir sheet featured a second dragon image on the right, “doubling the good luck qualities of the issue” according to Canada Post. Double-image souvenir sheets were issued for a number of other years, including 2007. After 2000, however, the illustrations were varied for each denomination. The differences were minor at first but became more and more distinct. The most arresting pair from this perspective was produced for the Year of the Monkey, featuring two scenes from the 16th century Chinese tale *Journey to the West*, about Sun Wu-k'ung, the Monkey King.

The Year of the Horse (2002 – see page 7) was celebrated with a stunningly different approach. Although both the domestic- and international rate stamps were illustrated with an embossed red horse image in a traditional papercut design, they faced different directions. The souvenir sheet featured the \$1.25 stamp centred on a black wrought iron design within an octagonal frame red background.

It is not surprising that this eye-catching souvenir issue, designed by Up Inc., a Vancouver design company, was recognized as the most beautiful stamp in North America for that year, with the award of the Continental Cup. Furthermore, it garnered third place in the World's Most Beautiful Stamp category, at the Stamp World Cup—a contest organized by the leading French stamp-collecting magazine *Timbres*.

A number of philatelic products are produced to complement the stamps, including uncut press sheets, official first-day covers and prepaid postcards. The postcards, which bear an expanded version of one or both images used on the stamps, appeared for the first time in 2004 (the Year of the Monkey). Because of their size, these postcards are a showcase for the artistry of the designers and illustrators and are a novel way of sharing the skill of some of Canada's talented artists with friends and family around the world.

While a common element of the lunar stamp designs has been the traditional Chinese celebratory colours—red and gold—materials have ranged from sculpture to embroidery. Methods too have run the gamut from traditional painting to computer-generated brush strokes (2005). All the stamps have been enhanced with skilled calligraphy. The final image is a compilation of photographs of the design.

Canada Post's procedure for selecting these outstanding designs follows the policy that is in place for all its stamp issues. According to the Canada Post website, a national Stamp Advisory Committee (SAC) comprising twelve “leading Canadians from across the country selected for their general and philatelic knowledge” guides Canada Post in the selection. (The members serve for three-year terms.) The Corporation's Board of Directors must approve proposals for a stamp program. Canada Post's marketing team then selects two Canadian design firms, who

must meet strict professional criteria, and requests two concepts from each. The SAC chooses one of the designs from the unidentified four submissions and the winning firm starts work on the illustration. In the case of the Lunar New Year stamps, which are designed to appeal to a number of disparate ethnic Chinese groups, it has been the practice to undertake focus groups with members of this community. Even with this amount of care, some issues have evoked some controversy. For example, in the case of the Year of the Monkey design, the choice of the legendary Monkey King to represent the lunar year creature was questioned in some quarters. Interestingly, the PRC also chose this version.

When the 12-year cycle of lunar stamps is completed in 2008, Canada Post will have made a major aesthetic contribution to the world of philately. The originality and variability of the designs will be hard to outdo for other issuers of Chinese year stamps. Fortunately, the original art has been preserved at Library and Archives Canada and may be viewed on request. Perhaps we can look forward to a future exhibit of all the artwork that has been created for this magnificent series. If your local postal outlet has sold out of this year's stamps, you can order them online (by following the links at Canada Post's website: www.canadapost.ca) or by phone (from Canada and the USA toll-free: 1-800-565-4362) or by mail order from the National Philatelic Centre (forms are obtainable from postal outlets or by phone).

Additional Resources:

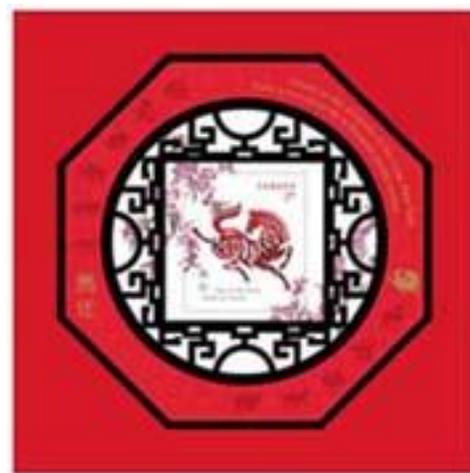
Canada Postal Archives http://www.collectionscanada.ca/archivianet/020117/020117030423_e.html

Washington 2006 World Philatelic Exhibition—The F.I.P. <http://www.washington-2006.org/wfipfiat.htm>

Article on “Year of the Pig” in *Details*, Vol. XVI, No.1, 2007 published by Canada Post.



*Year of the Ox, 1997
(above)*



*Year of the Horse, 2002
(at right)*

Annual General Meeting - At the AGM held on November 23, 2006 a number of improvements to the Constitution were approved; the President summarized the past year's activities; Mr. Tsin Van and Mr. Dominic D'Arcy were accepted as life members of the Society; and Financial Statements were presented which reported a loss for the year due to an item of legal expense whose origin was explained by the President. A new slate of executive officers was welcomed including new members Gilliane Lapointe, Ramona MacFarlane and Dr. Huixing Yang. Following the business meeting, Mr. Martin Charron gave an illuminating talk on Canada-China trade which stimulated extensive discussion.

Very sincere **thanks** are extended to outgoing Executive members Georges Samné and Meibing Fu for their support and assistance to the Society over four and two years respectively, and to Ramona MacFarlane who on short notice agreed to take on the role of Acting Treasurer.

Forthcoming Events - The Chinese Embassy will host a Reception for our Society most likely in the second half of March with details TBA. Members in good standing will receive individual invitations. On Wednesday, April 25, Mr. Greg McDonaghy from the Historical Section of Foreign Affairs and International Trade Canada and Professor Michael Stevenson of York University will give a joint talk at Library and Archives Canada on Canadian Wheat Exports to China, 1950-63.

2007 Executive Committee Members

- **President – Lolan Wang Merklinger**
(819) 777-8434 lolan.Merklinger@sympatico.ca
- **Vice-President – Jeffrey de Fourestier**
(819) 995-9322 defourestier.jd@forces.gc.ca
- **Secretary – James Steele**
(613) 746-6261 jimandheathersteele@rogers.com
- **Acting Treasurer – Ramona MacFarlane**
(819) 776-6364
- **Program Co-ordinator – John Hilliker**
(613) 733-6721 john.hilliker@sympatico.ca
- **Public Relations and Associate Program Co-ordinator – Gilliane Lapointe**
(613) 234-9513 bonlap@sympatico.ca
- **Banquet and Reception Co-ordinator – Mary Lee**
(613) 234-9513 maryylee@hotmail.com
- **Chinese Community Liaison – Yong-Zhi Wang**
(613) 228-0437 wangy@cnsccsn.gc.ca
- **Membership Secretary – Huixin Yang**
(613) 228-0437 huixin_yang@hc.sc.gc.ca

You can access the Ottawa webpage at www.fccfa.ca/Ottawa where previous issues of the Newsletter, information about forthcoming events, and Membership Application Forms are located. Both the FCCFA web site and the Ottawa webpage are maintained by Steve Hagopian.

Kenneth Merklinger, Editor