

Tensions in Canada's relations with the Community continued on the subject of seal harvesting. On February 28, 1983, the EC Council of Environment Ministers adopted a resolution, which came into effect October 1, 1983, banning the importation of seal-pup skins into the Community for two years. Strong representations continue to be made to remove this measure.

During their regular semi-annual consultations, held in April in Brussels and in November in Ottawa, Canadian and EC officials reviewed trade and economic issues of mutual interest, focusing on the prospective enlargement of the Community to include Portugal and Spain, and on the Common Agricultural Policy, with specific reference being made to the Community's policies on fats and oils, cereal substitutes, seed potatoes, and meat hygiene. The Community raised the proposed changes in Canadian import policy, Canadian anti-dumping activities, legislation pertaining to footwear imports, FIRA, and provincial liquor board practices.

The Canada-EC Joint Co-operation Committee develops and reviews the various commercial and economic activities between the European Community and Canada. The work program, approved at the January 1983 meeting and implemented during the past year, focused on the areas of industrial, scientific, technical and environmental co-operation. As part of continuing joint activities, there was an exchange of missions and visits of individual experts in such areas as forest products, energy, various branches of medicine, nuclear waste, and in the forecasting and assessment of trends in science and technology. In addition, co-operation activities were initiated in such areas as thermonuclear fusion, biotechnology, climatology, and transborder pollution control.

United Kingdom

The United Kingdom continued to be Canada's third-largest trading partner and second-largest customer for manufactured products. Two-way trade with Britain reached \$4.3 billion in 1983, with Canada having a surplus of \$639 million. At least one-third of our exports to the European Community were for the UK market.

Following a particularly active year in 1983, owing to the process leading to the repatriation of the Constitution, bilateral relations were characterized by efforts to enhance the traditional relationship. During the course of 1983, there was a noticeable increase in consultations on political and economic subjects. In September, Britain's Prime Minister visited Ottawa, Toronto and Edmonton. Canada's Minister for Foreign Trade visited London in June and the Secretary of State for External Affairs travelled to London in December. The Canadian Prime Minister called on his British counterpart in the course of his peace mission. There were numerous other contacts during international meetings as well as individual initiatives by the Department. These included commercial initiatives, most notably several trade missions, as well as cultural activities. Joint cultural consultations took place in Ottawa in the autumn. Exchanges in science and technology were reinforced by an exchange of letters.

Federal Republic of Germany

While holding up slightly better than trade with other Western European countries, exports to Germany during the past year nevertheless fell 6.3 per cent to \$1.18 billion. Imports increased to \$1.58 billion, ranking Germany as Canada's fourth largest

trading partner. Industrial ties were enhanced by a continued growth in links between Canadian and German companies. The decision of MBB of West Germany to produce helicopters in Canada, in co-operation with Fleet Industries, was expected to make a significant contribution to Canadian helicopter production.

High-level visits during the year enhanced relations with Germany. The Governor General made a state visit to Germany in May. The Secretary of State for External Affairs and the Minister of State for External Relations also had extensive meetings with German leaders during the same period. Other visits included those of the Minister of Defence, the Minister for International Trade and also the Prime Minister, as part of the peace initiative.

In November, a consulate-general in Munich was opened by the Minister for International Trade, formalizing Canada's presence in southern Germany. Other milestones included revision of the air agreement which led to the inauguration of service into Dusseldorf, and a new double-taxation agreement.

As part of Canada's commitment to NATO, efforts were devoted to encouraging more co-operation in the defence area. Work continued on joint product development with ensuing benefits for Canadian technology and long-term exports. In addition, an agreement was renewed to permit German troops to undertake training at Shilo and Goose Bay. In the field of science and technology, our bilateral agreement continued to promote interchange of expertise. Cultural exchanges were promoted through an active program of Canada Days, exhibitions and visits.

France

In 1983 France was in seventh place among Canada's trading partners. Trade between the two countries accounted for less than 1 per cent of the total trade of each. The trade situation continued to deteriorate, with Canadian exports to France in 1983 dropping by 11.4 per cent to \$626 million. In the same period French exports to Canada decreased by 4.1 per cent to \$841 million.

To remedy this relative weakness in commercial exchanges and to broaden the prospects for industrial co-operation, Canada took a number of initiatives in 1983 to improve the volume and quality of bilateral exchanges. They included the publishing of an Export Development Plan for France and the establishment of a permanent interdepartmental management committee which, with the France-Canada joint businessmen's committee and the Joint Economic Commission, were expected to prove fruitful. Canada participated in a number of regional trade fairs (e.g. Marseille, Lyon).

During the year France and Canada signed three cultural agreements on the promotion of film and television co-productions, which have already generated joint projects estimated at \$100 million. Discussions were held to extend this co-operation to other cultural areas. It was also agreed to involve Canada's Department of Communications and the Centre mondial sur l'Informatique (World Centre for Data Processing) in those joint efforts.

On the political side, a number of visits took place in both directions. In November, the Canadian Prime Minister met with the French President in Paris to discuss his peace mission.

Italy

Trade between Canada and Italy (\$1.3 billion in 1983) con-