

groups of countries which have signed the NPT as well as a bilateral non-proliferation agreement with Canada. Such bilateral agreements were concluded with Egypt and Indonesia in 1982. Canada continued to be active in the International Atomic Energy Agency (IAEA) and in preparation for the UN Conference on the Peaceful Uses of Nuclear Energy in 1983.

Manufacturing

The Department is responsible for ensuring that domestic manufacturing policies comply with Canada's international rights and obligations. During the year it sought to resolve a number of major issues through discussion with Canadian industry and in international forums. There were consultations on the government's new policies for shipbuilding assistance, coasting trade and the extension of customs jurisdiction offshore. During the year, the Department worked to resolve issues in the automotive, petrochemical and civil aircraft sectors; the latter included the possibility of Canadian participation in the European Airbus program.

Transportation and communications

The Department continued to take part in the work of OECD and the UN Conference on Trade and Development (UNCTAD) to develop international shipping policy compatible with the interests of efficient world trade. Canada is reviewing the need for legislation to defend Canadian shippers and carriers against a growing number of interventionist measures by other countries.

Several rounds of negotiations on air transportation were concluded with India, West Germany and France.

The first export of a Canadian communications satellite occurred with the sale of an ANIK D system to Brazil. The Canadian-built CANADARM successfully proved its capabilities aboard the U.S. Space Shuttle and Canada joined the L-Sat satellite program of the European Space Agency through which it will be a part of the development and sale of this new satellite. Some success was achieved in the marketing of Telidon videotex equipment.

Canada is a member of some 20 international organizations concerned with the development of telecommunications. Among meetings attended in 1982 were the Plenipotentiary meeting of the UN regulating agency, the International Telecommunications Union; and the Second UN Conference on the Exploration and Peaceful Uses of Outer Space.

Special trade relations

Textile and clothing

In 1981, Canada set out a policy for the textile and clothing sectors. It seeks to establish a viable and competitive industry and to revitalize the economies of communities most vulnerable to foreign competition. Together with domestic measures for modernization and adjustment, the policy calls for negotiation of restraint arrangements with exporting countries to limit imports during a five-year period. During 1982 and early 1983, restraint arrangements were concluded with 17 low-cost suppliers. These arrangements recognize the need to provide for the export interests of less-developed countries and new entrants, while being sensitive to the needs of the Canadian industry. The arrangements were negotiated under the auspices of GATT with the exception of those with three countries who are not signatories of the Multi-fibre Arrangements (MFA). On October 1, 1982, in response to the

deteriorating economic situation facing the industry, the government invoked the consultative clauses in Canada's bilateral restraint arrangements with the four principal suppliers – Hong Kong, the Republic of Korea, China and the Taiwan Textile Federation – to initiate lower restraint levels for selected clothing products in 1983. This was intended as a short-term measure to ease the unusual circumstances confronting the clothing industry and to help preserve jobs. These negotiations for reductions in 1983 were unsuccessful and the government is consulting the industry on alternative courses of action.

Footwear

In response to the Anti-dumping Tribunal report which had found that the Canadian footwear industry would be seriously injured by imports from low-wage sources, the government reimposed import controls on non-leather footwear in December 1981. In July 1982, leather footwear was included on this import control list. These actions are consistent with Canada's international rights and obligations under GATT provisions.

Export controls

In January 1982, the high-level Co-ordinating Committee for Strategic Trade Controls (COCOM) met for the first time. The purpose of this committee of NATO countries and Japan is to maintain multilateral controls on the shipment of military-related goods and technology to proscribed destinations. COCOM reviewed and reaffirmed its strategic objectives and recommended measures to improve the effectiveness of the present controls. In October, COCOM began its periodic revision of the list and descriptions of controlled and embargoed goods and technologies. Canadian participation has concentrated on areas of particular interest to Canadian industry.

Trade development

Canada is responding to the challenge of an increasingly competitive world marketplace with a more co-ordinated national program of trade development. Regular meetings with the provinces and the private sector are producing a more coherent national program with greater selectivity for priority markets.

The Program for Export Market Development (PEMD) encourages the export of Canadian goods and services by sharing with the Canadian business community the financial risk of entering new foreign markets. In June 1982, the Department organized the Petroleum Industries Export Conference in Calgary to assist the industry and companies that supply it with goods and services. At a Mining Industries Export Conference in March 1983, nine trade commissioners made presentations to 115 business representatives on opportunities for equipment and services for mining in 17 countries. In January 1983, the Department co-operated with the Canadian Manufacturers Association to bring 24 trade commissioners from Western Europe to Canada for a series of seminars in ten cities across the country.

Trade fairs, missions and ministerial travels provide support and dynamic visibility for Canadian products in foreign countries. Canadian diplomats in our posts abroad are giving higher priority to promoting our trade interests, and