

main participants are the countries of NATO and the Warsaw Pact which maintain forces in Central Europe. The negotiations are complex and difficult. However, in addition to the central objective of progress in East-West détente, the parallel negotiations present opportunities for Canadian cooperation with the countries of Europe, and in particular with our partners in NATO.

Over the past year Canada and the Soviet Union have begun to draw benefits from the three agreements on Industrial and General Exchanges and on Consultations signed in Moscow during the Prime Minister's visit the previous year. High level discussions under all three agreements were held. A senior Canadian delegation visited the Soviet Union to renew the existing Canada-Soviet Trade Agreement and to establish a Joint Consultative Committee on trade which held its first session following the renewal of the Agreement.

Sino-Canadian relations have developed rapidly since 1970, indeed remarkably, considering the enormous gap to be bridged. In the last year ministerial visits, my own last summer and that of the Honourable Donald Macdonald, who has just returned from China, trade and cultural exhibitions, together with an almost continuous stream of visits by specialized delegations on both sides, have contributed to a swiftly improving atmosphere for the development of productive contacts. Exchanges in cultural, academic, scientific, athletic as well as in industrial and commercial fields are flourishing in this climate.