

Implementation of Canada-Mexico Model Forest Projects

May 5, 1994, No. 90

Foreign Affairs Minister André Ouellet and Natural Resources Minister Anne McLellan announced the twinning of two model forest projects in Mexico with the Canadian Model Forest network. The twinning is part of Canada's International Model Forests Program announced by Canada at the Earth Summit in Rio de Janeiro in June 1992. Mexico was the first to join Canada as a partner in this program, followed by Russia. "International forest issues are an environmental foreign policy priority for Canada. The twinning of projects between Canada and Mexico is a clear indication that co-operation between countries on difficult sustainable development issues is key to their resolution," Mr. Ouellet said.

MacLaren Announces Conclusion of Consultations Under the Canada-United States Memorandum of Understanding on Beer

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The Honourable Roy MacLaren, Minister for International Trade, announced today that Canada and the United States have successfully concluded consultations under the Memorandum of Understanding on Provincial Beer Marketing Practices (MOU). "I am pleased that these consultations have been concluded successfully and that the MOU will remain in operation," Mr. MacLaren said. "This will allow cross-border trade in beer to continue unhindered."

**CIDA :**  
Canada Contributes More Aid to Rwanda

May 12, 1994, 94-17

Canada is assisting Rwandan refugees with a further aid package to be channelled through the International Committee of the Red Cross (ICRC). "Canada stands ready to help Rwandans in this time of unspeakable hardship", said Christine Stewart, Secretary of State for Latin America and Africa. The Canadian contribution of \$1 million worth of yellow split peas will be distributed to Rwandan refugees in Tanzania, Burundi, Uganda and Zaire, as well as those internally displaced in Rwanda. It brings total Canadian relief and food aid to Rwanda to \$4 million since the fighting began. An estimated 100 000 people have been killed and 300 000 have fled the Central African country since the violence erupted last month.

**FINANCE:**  
**PRESS RELEASES:**

Tax Treaty Negotiations with the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania

May 5, 1994, No. 94-043

Finance Minister Paul Martin announced that negotiations for the conclusion of income tax treaties between Canada and the Republic of Estonia, Canada and the Republic of Latvia and Canada and the Republic of Lithuania will be held in July, 1994. The purpose of this release is to ensure that persons whose interests are affected have an opportunity to inform the government of any particular issues of double taxation which might be resolved in Canada's tax treaties. The Government is particularly interested in learning of any difficulties encountered by Canadians under the Estonian, Latvian and Lithuanian tax systems, so that these issues might be taken into account in preparing for negotiations. Persons wishing to offer comments should send their views in writing to the Department of Finance, Tax Policy Branch, L'Esplanade Laurier, 140 O'Connor St, 17th Floor, Ottawa, K1A 0G5.

Protocol to Tax Convention Signed by Canada and the Republic of Hungary

May 5, 1994, No. 94-042

Finance Minister Paul Martin announced that a Protocol revising the Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital between Canada and the Republic of Hungary was signed on May 3 in Budapest. Under the Protocol, the rate of withholding tax on dividends paid to a parent company and the rate of additional tax on branch profits will be reduced to 5% by 1997.

**STATEMENT:**

Canada's debt, particularly the debt we owe to foreigners, does nothing less than put at risk the sovereignty of this country. Our sovereignty suffers when we are forced to keep interest rates high—even when inflation is close to the lowest in the world—in order to attract creditors abroad.... Far from putting cash on the barrel head to build our Canadian future, we are throwing cash out the window to pay off everyone else.... The central challenge of the decade is not only the deficit. Nor is it only growth. It is both.... Anyone who says we can move Canada ahead by leaving our workers behind—or outside—is nuts. And anyone who believes that our real competitors today are other Canadians is also nuts. The rest of the world does not owe Canadians a bright future. The people who do are us. We all desire a better country. And in that task, we are all workers today.

Notes for an Address by the Honourable Paul Martin, Minister of Finance, to the Canadian Federation of Labour (Ottawa, Ontario, May 6, 1994, 94-045).

**CITIZENSHIP AND IMMIGRATION CANADA**

Marchi and Canadian-Ismaili Community Sign New Resettlement Agreement

May 3, 1994 No. 94-33

An innovative resettlement agreement has been signed by the Honourable Sergio Marchi, Minister of Citizenship and Immigration and Mr. Aziz Bhaloo, President of the Ismaili Council for Canada (ICC) and FOCUS Humanitarian Assistance Canada to resettle 1500 refugees in Canada. Signed April 29, 1994, the agreement represents a novel and collaborative approach to assisting refugees. "This pilot project will see 1500 Asian refugees resettled in Canada through our combined efforts," said the Minister. Citizenship and Immigration Canada and the host community will make a particular effort to assist youth and female refugees who are so often in perilous situations in refugee camps." The agreement is effective immediately and runs until April, 1997. Funding for this initiative, to an annual maximum \$1.1 million, was provided for in the February 1994 federal budget and is therefore built into the existing fiscal framework.

**UPCOMING EVENTS:**

- June 5-11, 1994: OAS Annual Assembly (Belem, Brazil)
- June 9-10, 1994: NATO, North Atlantic Council and North Atlantic Co-operation Council Meetings (Istanbul, Turkey)
- July 8-10, 1994: G-7 Economic Summit (Naples, Italy)