

ing in pharmacy and dentistry, and the development of a medical resource library (CIDA press release, September 3).

The University of Toronto will also be contributing to the five-year project. The university will send sixteen faculty members to SMC for periods ranging from six weeks to three months. The total cost of the joint project will be \$2.4 million. SMC, which is contributing \$350,000, will also send college faculty and graduates to Toronto for advanced training (*Globe and Mail*, September 7).

ISRAEL

Visit of Agriculture Minister to Canada

Israeli Deputy Prime Minister and Agriculture Minister Simha Erlich and a delegation of Israeli agricultural leaders were in Canada from September 13 to 16 to meet with Canadian counterparts. A series of talks between Mr. Erlich and Agriculture Minister Eugene Whelan resulted in an agreement in principle to undertake the establishment of a jointly-financed fund to develop cooperative agricultural research projects. Details of the agreement were to be worked out during the four following months (Agriculture Canada press release, September 16).

JAPAN

Auto Imports

Following months of negotiations, Canada reached an agreement with Japan August 11 which limits Japanese automobile exports to Canada for 1982. An External Affairs press release that day said that "The Japanese Ministry of International Trade and Industry has forecast that passenger car exports to Canada over the period July 1, 1982, to December 31, 1982, will not exceed 63,000 units. This will result in a calendar year export level of 153,000 units, which represents a decrease of 23.5% from calendar year 1981 exports. As part of the understanding reached, the two Governments are committed to begin discussions in September 1982, with a view to reaching an understanding regarding future cooperation between the Japanese and Canadian automotive industries."

Talking to reporters about the export restraint, Trade Minister Ed Lumley described it as "positive for Canada. It addresses, first of all, the problems faced by our automotive industry. I think it also demonstrates we can work together with Japan to accommodate one another's vital interests" (*Globe and Mail*, August 12). The new limits mean that Japanese cars will represent about twenty-two percent of the Canadian car market in 1982 (*Globe and Mail*, August 12). Negotiations were to begin in September on increased Canadian content in Japanese vehicles sold to Canada.

Reaction to the quotas was mixed. Among those reported "pleased" with the arrangement were the Canadian auto manufacturing industry and auto parts makers. The United Auto Workers Union issued a press release in

which they said that although the quotas were encouraging, they were concerned about "the high percentage of import penetration the agreement appears to legitimate." Strong Canadian content regulations would be the only way to assure "strong guarantees which will be in the best interest of not only the auto and auto parts industry in Canada, but of the Canadian economy," the union stated.

Although truck exports from Japan were not included in the August agreement, Mr. Lumley said that he was confident that Japanese exporters would take account of the depressed state of the Canadian market, and that he would be surprised if Japanese truck exports to Canada were higher than last year. In a critical press release, The Domestic Automobile Dealers, who believed that the restraint agreement would be only of limited assistance to Canadian-made car sales, said that, "The biggest failing of the agreement, however, lies in its omission of any effective restraint on trucks. Japanese truck sales in 1982 are up by about thirty percent over 1981, while domestic sales are down by a similar percentage. Minister Lumley's confidence that Japanese truck exports will be no higher in 1982 than in 1981 is denied by the facts."

The quota arrangement was also criticized by Keith Dixon, president of the Automobile Importers of Canada, who called Canada an "international crybaby," and said that "it is pathetic that Canada has to impose a quota on Canada's second-best customer" (*Globe and Mail*, *The Citizen*, August 12).

Visit of Parliamentarians to Japan

House of Commons Speaker Jeanne Sauvé headed a delegation of Canadian Parliamentarians to Japan from August 28 to September 3. She was accompanied by Government House Leader Yvon Pinard, Opposition House Leader Erik Nielsen and NDP House Leader Ian Deans. The visit was part of an ongoing parliamentary exchange arrangement between Canada and Japan (External Affairs press release, August 23).

MEXICO

Financial Crisis

Canada was among countries to grant emergency loans to Mexico in August. That country was crippled with an estimated eighty billion dollars (US) in foreign debts, and unable to meet its commitments. On August 30 it was announced that the Bank of Canada had agreed to guarantee a \$150 million (US) loan to Mexico in a twelve-country effort to help Mexico forestall bankruptcy while negotiating an International Monetary Fund Loan. Mexico owed Canadian banks an estimated five billion dollars (*Globe and Mail*, August 31). It nationalized its private banks September 1.

MONACO

Death of Princess Grace

Prime Minister Pierre Trudeau sent condolences to