

## BILATERAL RELATIONS

The relationship between Canada and the Federal Republic of Germany (FRG) is very good. It is rooted in common membership in the Atlantic Alliance, the Organization for Economic Co-operation and Development (OECD), the Economic Summits, the United Nations and other international forums as well as in strong trade and economic ties. Canadians of German origin constitute the third largest ethnic group in the country (4.7 per cent: 1.1 million in the 1981 census).

For the FRG, Canada's NATO commitment is a key element in our bilateral relationship. The FRG is Canada's most important defence partner after the United States. The stationing of 7,500 Canadian troops and their families at bases in the FRG and the training of 5,500 German soldiers and airmen annually in Canada at Shilo and Goose Bay are highly visible and much appreciated activities.

As the FRG assumes a greater political and economic influence in Europe and multilateral forums, Canada must devote more attention to the bilateral relationship or risk finding itself on the margin of FRG interests. Similarities of view on a number of political and economic issues provide a foundation for better relations; as well, FRG's assumption of the presidency of the Council of European Communities in January 1, 1988 for six months, and Canada's hosting of the Toronto Economic Summit, provide an immediate opportunity to increase dialogue.

The growing frequency of exchanges and contacts in all areas point to a maturation of the bilateral relationship. Parliamentary exchanges have had a particularly strong positive influence. The very few differences of view and interest that do exist are in economic and trade fields. They include fisheries, seals, and asbestos. None of these constitute a major irritant at this time.

On the multilateral level, relations with the FRG are of substantial and increasing importance. As allies in NATO, the two countries consult on many Alliance issues. Close cooperation exists between the two countries in the United Nations. In East-West relations, Canada and the FRG are active in all Conference on Security and Confidence Building in Europe (CSCE) forums, sharing common views on such issues as human rights and family reunification.

Canada maintains close, regular consultations with the FRG on multilateral economic issues through such forums such as the Summits, the International Monetary Fund (IMF), the Group of Seven Finance Ministers (G-7), the Multilateral Trade