

technology goods and services; to establish and manage Canadian participation in bilateral and multilateral co-operative defence research, development and production agreements with nine countries; to assist Canadian industry in contacts and negotiations with foreign government agencies; and to manage the Canada-United States Defence Development and Defence Production Sharing Arrangement.

During 1983, exports of defence and related products increased slightly over the previous year's to about \$1.5 billion. Sales to the United States increased to \$1.2 billion, while those to overseas countries declined due to the international recession and the relatively strong value of the Canadian dollar in many offshore markets. Expanding opportunities in the United States led to numerous meetings with US officials and military personnel, with seminars, missions and trade fairs in both countries. Market development initiatives for security and defence-related products were also undertaken in selected offshore markets, including the Middle East, Latin America and Australia.

At the Bureau's twenty-second annual High Technology Industries Export Conference in Ottawa, 65 trade commissioners from Canadian missions around the world held some 5 000 interviews with Canadian businessmen, counselling them on foreign trade opportunities.

Science and technology

In light of the heightened emphasis on science and technology as a key element in Canada's economic development, the Department focused on mechanisms by which new technologies are transferred to Canadian industry, both directly and through agencies of government. A Cabinet decision of 1982 encouraged the more vigorous use of carefully chosen international collaboration in science and technology to enhance economic development goals. This decision also established a Catalytic Seed Fund to support the process of identifying and initiating collaborative international science and technology activities. Part of the Fund was devoted to the stimulation of new joint projects with countries where bilateral science and technology co-operation is especially active, such as the Federal Republic of Germany, Japan and France.

A workshop in Ottawa held in co-operation with the Science Council of Canada, and attended by representatives of private industry, universities, provincial governments and federal agencies initiated a departmental study on strengthening Canada's ability to contribute to the inflow of technology for Canadian industry through a strengthened system of science and technology specialists in the diplomatic service. The study was to be completed during 1984.

Nuclear questions

An exchange of letters was concluded with Japan dealing with the reprocessing, and storage and use of plutonium, and negotiations began with Turkey with the aim of reaching a co-operation agreement. Discussions with France and the European Community were held to broaden or update the existing relationships. Nuclear relationships with Korea and Egypt were strengthened through the creation of joint consultative committees and a series of projects implementing co-operation in nuclear regulation, nuclear safety and radiation emergency response procedures.

Multilaterally, Canada was an active participant at the International Atomic Energy Agency and the Nuclear Energy Agency. Canada was also involved in preparations for the UN Conference on the Peaceful Uses of Nuclear Energy (PUNE), now postponed to 1986, and for the third review conference of the Treaty on the Non-proliferation of Nuclear Weapons, which is to be held in 1985.

Uranium exports continued to be affected by a soft market. Canadian uranium production rose to a peak in 1982 with some 8 080 tonnes. Preliminary figures for 1983 indicate a 7 000 tonnes production level, 90 per cent of which was destined for export. Canada's major customers continued to be Japan, Western Europe and the United States.

Within the framework of Canada's international nuclear policies, the Canadian nuclear industry pursued sales prospects in a number of markets including Korea, Turkey, Yugoslavia, Egypt and Indonesia. Two CANDU 600 MWe power reactors were commissioned in 1983, at Embalse in Argentina and Wolsung in Korea respectively, and two similar units were under construction at Cernavoda in Romania.

Technology and services marketing

Telecommunication products and services are at the leading edge of Canada's high technology industry, and are increasingly in demand around the world. The Japanese market, which had been closed to foreign competition, began to open. Canadian industry, with government support, positioned itself to benefit from the new market opportunities. Africa continued to be among the most promising markets for telecommunication products as it plans to develop its capabilities and expand its installations. The Department took the lead in the development of strategies to make possible successful penetration of the African market.

In spite of declining international markets, Canadian consulting engineers were among the most active service exporters. Other service industries assisted by the Department included architects, contractors and surveyors.

The information systems industry continued to expand its exports to key markets, including the United States, Europe, Australia and Japan. Canadian microcomputers attracted considerable attention in Scandinavia, while participation in a high-technology seminar in Australia and a computer show in Germany opened export opportunities. Telidon, Canada's entry into the videotex market, was selected for five of the six major new services to be offered in 1984 in the United States, for three services in Japan, and for two in Australia.

Deregulation in the United States and increasing awareness within Canada of the opportunities and problems of the microchip age increased the focus on marketing priorities for high-technology products.

Trade promotion activities

The increasingly competitive nature of the world marketplace necessitated a co-ordinated national program of trade promotion to meet it. The Department's Export Marketing Bureau was the central office for planning, co-ordinating and evaluating its efforts for export development. A number of its programs were devoted to the development of export trade. Its Promotional Projects Program (Trade Fairs and Missions) and Program for Export Market Development (PEMD), with a combined annual budget of \$40 million, were regard-