Canadian — U.S.S.R. Relations

[SOME OBSERVATIONS ON THE CURRENT STATE OF AFFAIRS]

In international trade opposites traditionally attract — nations with endless meadows do not exchange hay.

The old rule is no longer absolute — in the technological age nations with similar landscapes may keep a brisk exchange going in ideas, in culture, in machines and in technologies.

Alexei Kosygin, visiting Canada in October, was the first Soviet Head of Government to do so. His trip was in response to Prime Minister Trudeau's visit to Moscow last May, the first to the U.S.S.R. by a Canadian Head of Government.

On May 19 Mr. Trudeau and Mr. Kosygin signed a significant Protocol on Consultations which put relations between the two countries on a systematic "structured" basis. The Canadian Prime Minister emphasized that the Protocol was not just a symbolic gesture but one which would produce real and regular discussions on important subjects as do the exchange programs with Japan, Mexico, and the Commonwealth Nations.

When he returned home, the Prime Minister told the House of Commons that Canada and the U.S.S.R. still had many fundamental differences, "but surely," he said, "the only way to resolve these . . . is by increased contact and effort at understanding."

The trade between the two countries has been until recently quite limited. Canada exported enormous quantities of wheat (over $90 million worth annually) but little else. Since 1969, however, non-wheat exports have climbed from $4.6 million to over $12 million. This year in addition to the broad Protocol the two nations signed an "Agreement on Co-operation in the Industrial Application of Science and Technology."

It provided for the establishment of "Working Groups," initially in six areas: 1) Architecture, building materials and construction; 2) Forest-based industry; 3) Non-ferrous metals; 4) Electric power; 5) Oil and 6) Gas.

It also set up a "Mixed Commission" to be jointly chaired by Canadian Minister of Industry, Trade and Commerce Jean-Luc Pepin and L. N. Efremov, Deputy Chairman of the U.S.S.R. State Committee for Science and Technology.

The announced intention was that Canadian and Russian producers could establish direct contact so that the users could have a clear knowledge of the technical services offered by the producers. A Canadian manufacturer of sawmill equipment, for example, can contact potential buyers through the Canadian half of the Working Group. If interest is demonstrated, the Group will arrange direct contact, through visits, seminars, trade missions and such.

Last month a six-man mission on Agriculture and Food Processing arrived from Russia with Mr. Efremov, the Russian co-chairman of the Mixed Commission at its head. It visited Ottawa and processing units in Toronto, London (Ontario), Kitchener, Niagara Falls, Winnipeg and Lethbridge.

A full scale meeting of the Mixed Commission is scheduled to be held in Ottawa early next year.

Mr. Pepin, the Canadian co-chairman, has noted that the Working Groups concerned with gas, oil, construction and electric power have been giving active consideration to the problems met in "severe climatic and perma-frost conditions," and he foresees "all kinds of joint ventures" in the technological future.

Libby Dam

Last month President Nixon pulled powerfully on a rope, releasing a flood of concrete into forms for the $400 million Libby Dam project near Kalispell, Montana.

He gave substance to plans begun seven years ago when President Johnson and Canadian Prime Minister Pearson flew over the then unharnessed waters of the upper Columbia River.

The Libby project is a singular example of Canadian-United States cooperation, involving the construction of the dam in the U.S. and the formation of a reservoir forty-two miles into Canada, flooding some 13,700 acres of land in the East Kootenay valley of British Columbia.

The dam, being built by the U.S. Army Corps of Engineers, is one result of the Columbia River Treaty of 1964. Canada's contribution is, substantially, $12 million, in the form of the reservoir land.

Both nations will receive considerable power and flood control benefits. The project will remove the annual flood hazard from the Creston Flats farming area in British Columbia, and will provide potential 200,000 kilowatts of low-cost power on the section downstream of Kootenay Lake.

It is scheduled for completion in 1976, somewhat behind schedule.