

proliferation of nuclear weapons. During 1974 little progress was made toward a comprehensive ban on nuclear tests, and all five states that had nuclear weapons continued testing.

Canada's place

Canadians know that their most important external relationship is with the United States. Given the size of trade and investment links between the two countries and the powerful influence of American cultural and social values in Canada, a primary objective of the Canadian Government has been to maintain relations that are friendly and close while also reflecting Canada's distinctive interests and priorities. Each country is the other's major trading partner, and bilateral trade between Canada and the U.S. is greater than that between any other two countries. There are, of course, other problems in this relationship but ways have usually been found to deal with them with a minimum of friction.

To provide a counterweight to our relations with the U.S. without weakening that relationship, the Canadian Government has been pursuing a policy of diversifying Canada's relationships. Europe and Japan are natural partners for such diversification, and during the year an important step was taken toward establishing a contractual link with the European Economic Community. The Prime Minister visited France and Belgium, and while in Brussels called at NATO headquarters and the Commission of the European Communities. The Japanese Prime Minister visited Canada. These visits were evidence of a new emphasis on the development of relations that could be of great importance to Canada.

Canada has continued to be an active participant in the development of détente. Canadian interests and concerns in this normalization process have been pursued both through bilateral relations with the Soviet Union and other Communist countries of Eastern Europe and through the CSCE

and MBFR negotiations.

Canadians also looked elsewhere, beyond the community of industrialized nations. Traditional relations with the countries of the Commonwealth and newer ones with members of *la Francophonie* provided a link with the "third world" of developing states that offered Canada a different perspective on world problems—and on problems at home. For many years Canada has been a source of development assistance, and there was every indication that its policy in this regard would continue. But Canadians knew that new realities required new relationships, and new possibilities were being explored. Within the western hemisphere in particular, but also around the Pacific rim, in Africa and in Asia, Canada was pursuing opportunities for constructive co-operation, aware that, as never before, it was part of a global community.

*After nearly five years as Under-Secretary of State for External Affairs, A. E. Ritchie left that position because of illness in December 1974 and was appointed Special Adviser to the Privy Council Office. He is seen above receiving the Outstanding Achievement Award of the Public Service of Canada for 1973 from Governor-General Jules Léger. Mrs. Irene E. Johnston, Public Service Commissioner, and Prime Minister Trudeau were present at the ceremony.
Photo Andrews-Newton.*

*H. B. Robinson joined the Department in 1945. Appointed Deputy Minister of Indian Affairs and Northern Development in 1970, he returned in December 1974 to succeed Mr. Ritchie as Under-Secretary of State for External Affairs.
Photo John Evans.*