

## Canada-Ireland Bilateral Relations

Relations between Ireland and Canada are close and friendly, due in large part to Irish immigration to Canada. During the 19th century, the Irish were the largest single group of settlers from Europe after the French. Cultural ties remain strong between Ireland and all parts of Canada.

As a member of the European Community (EC), Ireland is significant in Canada's foreign policy and a respected neutral state whose views are close to those of Canada on most international issues. Both countries share a common experience in peacekeeping under the United Nations flag.

Canada has contributed to the International Fund for Ireland, set up under the Anglo-Irish agreement concerning Northern Ireland. Ireland is an important partner in the development of Canada's relations with the EC. The European Council meeting in Dublin in June 1990 was a significant milestone on the road to the adoption of the Declaration on EC-Canada Relations in November 1990.

The then deputy prime minister (Tánaiste) and foreign minister, Brian Lenihan, visited Ottawa and met with Prime Minister Mulroney in March 1989. The secretary of state for external affairs visited Ireland in May 1990 and February 1991 for consultations on Canada-EC relations and the Persian Gulf crisis, respectively. And the chief of staff of the Irish defence force, General Tadgh O'Neills, visited Canada as a guest of the Canadian Armed Forces in June 1989.

This is the first visit to Ireland by a Canadian prime minister since 1975.

With a domestic market of only 3.5 million people, Ireland has an established policy of stimulating and welcoming foreign investment. This policy is facilitated through favourable tax structures and generous government aid.

Forty-two Canadian companies have subsidiaries in Ireland that employ approximately 3,000 people and, on an intercorporate basis, take up to one third of Canadian exports to Ireland.

Canadian direct investment in Ireland amounted to more than \$1.6 billion in 1990. This investment is particularly evident in the manufacturing sector, with plants owned and operated by Northern Telecom, Alcan, Cleyn and Tinker, Canadian Westinghouse and, in the service sector, by the presence of Canada Life, Sun Life and the Bank of Nova Scotia. The value of Irish direct investment in Canada is \$421 million.

In 1990, trade between the two countries totalled \$382 million. Canadian exports totalled \$125 million and Canadian imports \$257 million. The main Canadian exports were telephone equipment, computers and parts, softwood lumber, wood pulp, newsprint and tobacco. Although not reflected in bilateral trade, aircraft sales to an Irish aviation leasing firm will average about \$90 million annually until 1996.