

sion. Special efforts were made to develop concrete plans for bilateral co-operation between the two countries. In October the Working Group on Energy and Raw Materials considered prospects for co-operation in the area of energy and, in December, the tenth session of the Joint Commission established a two-year program of cultural co-operation. These activities set the stage for the visit to Canada of Prime Minister Mauroy, planned for 1982.

Relations with the Federal Republic of Germany (FRG) received a noteworthy impetus in 1981 as the Prime Minister and Chancellor Schmidt agreed, during the Chancellor's official visit to Canada in July, that special measures were required to develop the unrealized potential of our bilateral economic relations. Both leaders appointed personal representatives to examine ways and means to that end. On the recommendation of the Prime Minister's personal representative an interdepartmental Canada-FRG management team was formed in Ottawa to facilitate and expedite bilateral initiatives arising from government or the private sector, as well as to formulate a strategy for the long-term management of the relationship with the FRG. Political relations with the FRG continued to be characterized by general common agreement and co-operation.

Italy continued in 1981 to occupy its position as one of Canada's major partners in Europe. An increase in the number of ministerial visits over the year led to the strengthening of ties between the authorities of the two countries. Dr. MacGuigan made an official visit to Italy and, at the same time, became the first Secretary of State for External Affairs to hold official discussions at the Holy See. The welfare of Italians residing in Canada and of Canadian citizens of Italian origin remained a matter of interest to both countries as did the negotiations toward the signing of a cultural agreement which continued over the year.

The high point of the year regarding relations with the Nordic countries was the state visit of the Governor General and Secretary of State for External Affairs to Sweden, Finland, Norway, Denmark and Iceland in the latter part of May and early June. Considerable emphasis was placed during the visit on the extent to which Canada and the Nordic countries face similar developmental and other problems typical of a northern environment. There was also an opportunity to review a number of multilateral issues, including North-South and disarmament, on which Canada and some of the Nordic countries have taken similar positions.

Canada's relations with Austria were highlighted by the visit of Foreign Minister Pahr in October and by visits to Austria in the course of the year by the Secretary of State for External Affairs, the Minister of State for Science and Technology and the Minister of Energy, Mines and Resources. Many senior officials also took advantage of their presence at UN meetings in Vienna, the "third" UN city, for encounters with their Austrian counterparts. Canada and Austria continue to think alike on many issues that come before such international bodies as the UN and the CSCE.