

Minister of Agriculture Canada visited Czechoslovakia, Hungary, Yugoslavia and Bulgaria to promote greater agricultural co-operation and trade.

Export development and promotion activities with the U.S.S.R. and Eastern Europe continued at an active level, including the organizing of Canadian participation in several major trade fairs in the region.

Academic, cultural and scientific relations

In 1987, with the resumption of a program of official academic, scientific, and cultural exchanges with the Soviet Union, 18 Canadian students and academics were enabled with federal funding to pursue their research in the U.S.S.R., and a similar number of Soviet researchers came to Canada. In addition, the first Conference on Canadian Studies was held in Moscow in February 1988. Both initiatives are leading to further informal contacts between Canadian and Soviet specialists in political science, physics, mathematics, ethnography and other fields. The Department's support for the Arctic Ski Trek underlined the continuing circumpolar co-operation between Canada and the U.S.S.R. In Eastern Europe, Canada initiated negotiations on memoranda of understanding in the fields of culture, academic relations and sports, with Czechoslovakia, Romania and Bulgaria. A film and video co-production agreement was signed with Hungary in 1987 and a similar agreement with Yugoslavia during the visit of the Yugoslav Prime Minister in February.

Canadian cultural endeavours continued during the year. The Firestone Collection of Canadian art was mounted at the Polish National Gallery in Warsaw as well as in art museums in Hungary, Romania and the German Democratic Republic. The Montreal Symphony was warmly received in East Berlin and Leipzig. In Belgrade, Yugoslav academics formed an association dedicated to the study and promotion of Canadian literature and culture. Canadian materials for teaching security and global co-operation issues were introduced into the curriculum of a Hungarian secondary school, the first time this has been done in Eastern Europe.

Immigration

The Department continued to utilize appropriate opportunities to raise issues of family reunification and human contacts. The improvement in relations between Canada and the countries of the region led to significant progress in the area of family reunification. In the Soviet Union for example, 31 of the 42 cases presented to Mr. Shevardnadze by the Secretary of State for External Affairs were resolved. In addition, numerous other cases were approved without the need for official representations from the embassy. In all, over 11 650 people from Eastern Europe and the Soviet Union emigrated to Canada in 1987.

Conference on Security and Co-operation in Europe (CSCE)

In 1987/88 the Third Follow-up Meeting of the CSCE in Vienna held its Third, Fourth, Fifth and Sixth sessions. In difficult negotiations, Canada continued its efforts, together with other Western countries, to achieve balanced and substantive progress in all areas of the CSCE process. It was an active participant in discussions on conventional security and co-sponsored a Western proposal for two distinct

negotiations to follow Vienna, one on confidence- and security-building measures, and a second on conventional stability in Europe. Canada also continued to press for improved compliance by all states with their CSCE undertakings, especially in the area of human rights. The Canadian delegation took a leading part on questions of minority rights and contacts, religious freedoms, freedom of movement and other important areas of human rights, scientific freedoms and contacts, human contacts including family reunification, and environmental protection. Canada continued to support Western proposals in a variety of other areas including economic co-operation, information, education and culture.

Asia and Pacific

The region's significance for Canada

Canada has more economic interests in Asia than any member of NATO or of the OECD, except the United States. Its trade with the Asia and Pacific region exceeds that with Europe. In 1987 countries of the region purchased 11 per cent of Canada's exports compared to 9 per cent by Europe. As trade among the fast-growing Asian countries rises, will Canada be able to maintain its market share? At over \$25 billion Canada's trans-Pacific trade is second only to that of its trade with the United States.

Japan is Canada's second largest trading partner after the United States — larger than the U.K., France and West Germany combined. Three-quarters of Canada's exports to Japan come from Western Canada. Japanese portfolio investment in Canada exceeds \$35 billion. Canadians are increasingly dependent on Japanese companies for employment; the Canadian exchange rate and interest rates are influenced by capital flows to and from Japan. China and Korea are also among Canada's top 10 customers.

Fifty per cent of immigration into Canada comes directly or indirectly from Asia. To maintain an annual population growth of one per cent, Canada would have to increase the number of immigrants to 275 000 yearly by the year 2000. This could mean 130 000 additional Asians per year or one million over the period. In the first half of 1987 Asian immigrants brought over \$1 billion in investment to Canada.

Tourism from Japan alone reached 300 000 in 1987, rising by 30-35 per cent in each of the past two years.

The Asia and Pacific region has assumed an importance to Canada which was hardly imaginable a decade ago, and this growing importance is reflected in foreign policy. Canada has a considerable stake in the region's stability, prosperity, openness and positive disposition towards the West. As a Pacific Rim nation Canada has had an increasingly active diplomatic role in the Asia and Pacific region through increased consultation on regional issues.

The government's commitment to the region has been reflected in policy statements, prime ministerial and ministerial visits and through a redirection of efforts and resources toward the Pacific. Country strategies have been developed for Japan, China and India, and trade and investment action plans for Korea, Hong Kong and ASEAN have been put in place. The National Trade Strategy has focused trade and investment promotion efforts on the United States and on the Asia and Pacific region.