

In a similar way, Canada's trading relationship with Britain has been under stress. Shifts in that country's trade policies have been accompanied by changes in the overall pattern of Canada's bilateral trade with that country. Britain has introduced various measures (prior deposits, regional industrial development policies, changes in access for grains) which have affected Canada. The entry of Britain and its EFTA associates into the Common Market will affect Canada's traditional access to these markets and probably further alter the patterns of trade. While the question of British accession to the EEC is one for Britain and the Community to decide, important Canadian trade interests stand to be affected. Canada has made clear to the British authorities the possible impact on Canadian exports and has urged the establishment of consultation procedures before, during and after the negotiation. It is of key importance that a framework be maintained for a larger and diversified exchange of goods between Canada and Britain in the future.

British accession to the EEC would represent a change of such basic and far-reaching importance to the whole world trading community that it should become a matter of multilateral concern. In this context, early action to move towards international trade and tariff negotiations, in addition to being desirable in itself, would be an important means of minimizing the trade-diversifying effects of enlargement of the EEC.

Trade relations with countries of Eastern Europe have been carried out in a special context, particularly because of their state-trading practices and of the preferential relations they have effectively maintained with one another. In recent years, trade has increased, notably because of Canadian wheat exports; however, this has fluctuated widely and has dropped substantially in the last two years. Trade has also been hindered because Eastern Europeans have had difficulties in adapting themselves to methods suitable for selling in Western economies. The opening of economic relations between Eastern and Western Europe, frequently on the basis of bilateral arrangements, has also had a retarding effect on Canadian efforts to trade with Eastern Europe.

Looking at Europe Today

Throughout the post-war decades, Canada's involvement in geographical regions other than Europe has been steadily increasing—through the Commonwealth, the United Nations and, more recently, la Francophonie. There has been expanding activity in such fields as peacekeeping, development assistance and, to a lesser extent, cultural exchanges. It remains true, however, that the bulk of Canada's business abroad is