

- to focus trade-promotion efforts in sectors such as telecommunications and electronic data processing, water purification, transportation, mining, engineering and construction, and power generation and transmission.

Western Europe

Canadian export sales reached over \$13 billion (1988) in Western Europe, with principal markets being the United Kingdom, the Federal Republic of Germany, the Netherlands, France, Belgium and Italy. Canada's last trade surplus with Western Europe was in 1983. Since then, Canada has recorded trade deficits, which reached \$6 billion in 1988. Trade-development efforts must be improved and strengthened, especially in light of the full integration of the European Community in 1992. Canada's trade-development priorities in the region are:

- to increase Canadian exports, especially more-highly processed products;
- to promote industrial co-operation and technology transfers between Canadian and European firms;
- to launch the New Exporters Overseas program as a means to encourage Canadian firms to export to Western Europe; and
- to ensure effective Canadian participation in major special events such as the Paris Air Show, Telecom '91 and the Canada-U.K. Marketplace in London.

U.S.S.R. and Eastern Europe

Canadian export sales to the U.S.S.R. and Eastern Europe reached \$1.4 billion (1988). The U.S.S.R. accounted for well over 80 per cent of that figure. Eighteen joint ventures have been finalized in the past year between Canadian and U.S.S.R. firms. In addition, the Canada-U.S.S.R. Business Council was established in the summer of 1989. These developments will help to create

greater opportunities for Canadian exports of goods and services in spite of short-term disruptions caused by reforms of the Soviet economy. The trade-development priorities are:

- to preserve existing markets for Canadian grains;
- to focus trade-development efforts on opportunities for Canadian resource-development, telecommunications and technology-intensive products; and
- to pursue opportunities for joint ventures, especially in the U.S.S.R., Poland, Hungary, Czechoslovakia and Bulgaria.

South America

In 1988, Canadians exported about \$1.5 billion worth of goods to South America, mainly to Brazil, Venezuela, Colombia and Chile. A major concern has been the external debt of a number of countries in the region. Canada's trade priorities are:

- to increase exports of agricultural products, especially beef and dairy breeding stock; and
- to focus trade-promotion efforts on sectors such as oil and gas, telecommunications, transportation equipment, and mining equipment and services.

Mexico, Central America and the Caribbean

In 1988, the value of Canadian export sales to Mexico, Central America and the Caribbean reached \$1.6 billion. Principal markets were Mexico, Cuba and the Commonwealth Caribbean. A major preoccupation as far as trade with the region is concerned is the international debt of a number of countries. Canada's trade priorities are:

- to take advantage of Mexico's identification of Canada as a country of concentration to increase Canadian exports to that market;