

Negotiations were held with Japan, Spain, Haiti and Argentina and an agreement was concluded with Finland. Under a four-year commercial agreement with Air Canada, Finnair began single-tracking operations to Mirabel Airport in April 1977.

Transportation

During the year, the Canadian Government continued its active participation in international transportation organizations, as well as its efforts to reach bilateral arrangements with other countries for the expansion of transport opportunities and to exchange information on transport technology and management. Delegations from Canada participated in all the committees, as well as in the Council and Assembly, of the International Maritime Consultative Organization (IMCO).

In addition, on a Canadian initiative, renegotiation of the St Lawrence Seaway Tolls Agreement was begun with the United States. Considerable progress was made and the broad framework of a new pact agreed on.

Telecommunications

Canada increased its global and regional involvement in international telecommunications in 1977. Extensive preparatory work was undertaken, both interdepartmentally and internationally, in anticipation of two world administrative radio conferences, in 1978 and 1979, to be held by the International Telecommunications Union (ITU), the member organization of the United Nations family responsible for international telecommunications. The Secretary-General of the ITU, Mohamed Mili, paid an official visit to Canada in October.

Canada also participated actively in the work of specially-designated units dealing with telecommunications within international groupings. Thus Canadian delegations attended the Commonwealth Telecommunications Organization conference in Sydney, Australia, in May and June, and the meeting of the telecommunications committee of the Organization of American States in Rio de Janeiro in December.

Canada continued its involvement in the work programs of existing and proposed international satellite organizations. In April, it was represented at the meeting of signatories

of the International Telecommunications Satellite Organization and served on the Board of Governors of that body. Considerable progress towards the establishment of the International Maritime Satellite Organization was made in 1977 under the terms of the mandate given to the INMARSAT Preparatory Committee, of which Canada is a member. Canada also took part in the technical, economic and organizational panels of INMARSAT. In the field of aeronautical telecommunications, Canada's membership in the planned tripartite Aeronautical Satellite Program (Aerosat), with the United States and the European Space Agency, led to its participation in two meetings of the Aerosat Council during the year.

Industrial co-operation policy

During recent years something new has appeared in the realm of international trade. In contrast to isolated transactions involving relations between buyer and seller or user and supplier co-ordinated by the market-place, there has been a growing tendency for firms to pool their capabilities in common industrial enterprises. Such arrangements typically cover sets of complementary activities and often extend across the entire spectrum of capital-formation, research and development, financing, production, marketing and distribution.

Within Canada, increasing attention has been given to the stimulation of industrial co-operation between Canadian firms and those of Canada's trading partners in order to achieve a number of the Government's purposes, including: the upgrading of exports; the providing of Canadian firms with the most modern technologies; the rationalizing of the manufacture of Canadian products through the expansion of markets; and the helping of Canadian firms with insufficient resources to become established in international markets and thereby to benefit from international trade.

The Department of External Affairs, in conjunction with other interested ministries, kept in touch with business and labour in Canada in an effort to ensure that Canadian industry was able to take advantage of this increasingly-important method of carrying on international trade.