

Eastern European Division

Canada's relations with the Communist countries of Eastern Europe continued to be influenced by the view that, notwithstanding differences of approach between Canada and those countries, an equitable settlement of the issues dividing East and West could best be obtained by peaceful evolution and co-operation. In accordance with this policy Canada took a number of steps during 1971 designed to improve relations with the countries concerned on a basis of reciprocity and mutual benefit. It was fully recognized that substantial differences continued to exist between these countries and Canada as far as their political, social and economic systems were concerned. At the same time it was considered that an effort to broaden and deepen relations with the countries of Eastern Europe could, in the long run, help bring about that freer movement of peoples and ideas and greater respect for the principles of sovereignty and political independence which Canada held to be of continuing importance.

The highlights in Canadian-Soviet relations were the first visit to the Soviet Union of a Canadian Prime Minister, which took place in May, and the first visit of the Chairman of the Council of Ministers of the U.S.S.R., Mr. A.N. Kosygin, to Canada in October. In January, the Minister of Industry, Trade and Commerce and Mr. V.A. Kirillin, the Chairman of the U.S.S.R. State Committee for Science and Technology, signed an agreement on co-operation in the industrial application of science and technology that reflected recognition of Canada's increasing stature as the possessor of advanced technology and Canadian awareness of the important progress made in the Soviet Union in a number of fields of interest to Canada. Six working groups on various sectors of industry have been set up to investigate the prospects of mutually advantageous co-operation. During the Prime Minister's visit to the U.S.S.R., a Protocol on Consultations was signed with the object of putting the steadily-developing relations between the two countries on a more "structured" and orderly basis. Since the signing of the Protocol, there have been a number of contacts at the official and ministerial levels that have indicated that both sides recognize the benefits to be gained from increased and deeper consultation. During the summer, the Minister of Indian Affairs and Northern Development also visited the Soviet Union and agreement was reached on the setting-up of a joint Canada-U.S.S.R. committee to investigate the possibilities for Arctic scientific co-operation. During Mr. Kosygin's visit to Canada, a General Exchanges Agreement, designed to facilitate a broader range of exchanges between the two countries in the scientific, technical, cultural and other fields, was signed. It was confirmed that, early in 1972, negotiations would be undertaken for the extension of the Canadian-Soviet Trade Agreement for a further four years and that in those negotiations a Canadian proposal to set up a joint commission for consultations on trade would be discussed.

The state visit to Canada from November 2 to 7 of President Tito of the Socialist Federal Republic of Yugoslavia, who was accompanied by Madame Broz and the State Secretary for Foreign Affairs, Mr. Tepavac, underlined the substantial recent progress in Canadian-Yugoslav relations. Among the achievements in the bilateral field highlighted by the visit were an exchange of letters for the encouragement of scientific and technical contacts and exchanges, a decision in principle to abolish non-immigrant visas, and a thorough analysis of the means to further the development of trade in both directions. For the future, both sides will increase the frequency of political consultations, examine the possibility of concluding a framework agreement relating to the guarantee by the Export Development Corporation of Canadian private investment in Yugoslavia, and begin negotiations toward the conclusion of a civil aviation agreement and a consular understanding. Other