

Canadian imports from Western Europe by country

	1980 (\$000)	1981 (\$000)	1982 (\$000)
United Kingdom	1,974,280	2,376,588	1,900,774
Gibraltar	376	76	2
Ireland	100,564	117,898	128,715
Malta	2,005	2,125	2,658
Austria	95,679	90,471	91,862
Belgium-Luxemburg	251,194	297,089	263,313
Denmark	120,071	159,448	129,009
Federal Republic of Germany	1,455,169	1,611,460	1,382,806
Finland	66,699	97,273	96,424
France	772,602	878,587	876,787
Greece	30,938	54,148	30,313
Iceland	6,053	6,511	4,931
Italy	610,520	702,177	724,538
Netherlands	263,609	295,763	267,622
Norway	80,558	169,137	92,685
Portugal	51,676	53,005	43,647
Spain	186,600	237,770	189,823
Sweden	416,209	445,164	366,956
Switzerland	521,900	424,013	429,786
Total	7,006,702	8,018,703	7,022,649

Several events contributed to retaining the strength of ties with the Vatican during 1982. In May, two Canadians, Brother André Bessette and Mother Marie-Rose Durocher were beatified, and on October 10, Mother Marguerite Bourgeoys became the first Canadian to be canonized. The Vatican also announced that His Holiness the Pope would visit Canada in 1984.

Eastern Europe

East-West relations remained at a low ebb throughout 1982 for a number of reasons. However, the passing of the Brezhnev era in the U.S.S.R. and the designation of Yuri Andropov as General Secretary signalled that new opportunities for a more favourable political climate might exist. Progress in nuclear arms control talks in Geneva would be of signal importance in this respect.

Of major concern was the situation in Poland. In response to the imposition of martial law on December 13, 1981, Canada and its NATO allies adopted measures to demonstrate disapproval to both the Polish Government and the Soviet Union, particularly of the violations of the human rights of the Polish people. Although martial law was suspended in December 1982, these measures, which included the refusal to extend export credits for goods other than food, remained in place while Canada and its allies assessed the Polish government's progress towards national reconciliation.

The developments in Poland dealt yet another blow to détente. NATO foreign ministers denounced them as violations of the Helsinki Final Act in February 1982, at the Madrid meeting of the Conference on Security and Co-operation in Europe (CSCE). The meeting adjourned for eight months and only in November resumed work towards a conclusion which

Canada and its allies insist must be balanced and substantive and reflect western concern for implementation of the Final Act.

At this time of strains in East-West relations and transition of power in the Soviet hierarchy, Canada has been a strong advocate of keeping open the essential political dialogue between East and West. In November, for the first time since the Soviet invasion of Afghanistan in 1979, high-level diplomatic talks took place between Canada and the Soviet Union. Deputy Minister for Foreign Policy de Montigny Marchand led a delegation to Moscow to meet with counterparts to discuss the resumption of dialogue in some areas of interest to Canada, such as in scientific and academic exchanges. The Prime Minister also visited Moscow in November 1982 to attend the funeral of Leonid Brezhnev and to confer with the new Soviet leadership.

Canada has continued its policy of maintaining links with the East European countries on a selective basis, because of potential benefits in trade and other exchanges and because such links may reduce East-West tensions. Trade relations were carried on in this context of strain and the persisting and severe economic difficulties in most of the East European countries, especially Poland, Romania and Yugoslavia. Canadian exports to Eastern Europe rose 10 per cent in 1982, to reach \$2.5 billion. Our imports from Eastern Europe however, declined by 31 per cent to \$241 million, reflecting the general decline in Canadian imports for the year.

Canada's main trade clients were the Soviet Union, Poland, Yugoslavia and Czechoslovakia. In 1982, almost 90 per cent of our exports to Eastern Europe were agricultural products, mostly grain. However, several hundred Canadian firms found markets for a variety of other products such as