

international concerns regarding Cambodian refugees in Thailand. An External Affairs press release (June 4) announcing the visit stated that "Canada has been impressed by the humane manner in which Thailand has dealt with its serious refugee problems and has responded sympathetically" by accepting over 25,000 Cambodian refugees from Thailand since 1975. Mr. MacGuigan had been in Singapore June 17 and 18 attending a meeting of the Association of Southeast Asian Nations, of which Canada is a "dialogue partner." (See this issue, MULTILATERAL — ASEAN).

USSR

Grain Sales

Wheat Board Minister Senator Hazen Argue visited the Soviet Union in early June to put the final touches on an agreement providing for a record-breaking sale of twenty-five million tonnes of wheat and barley to that country over five years. Eight million tonnes of grain, worth \$1.3 billion, had already been sold to the Soviet Union under the agreement this year (Wheat Board press release, June 3).

The beginning of Sen. Argue's eight-day visit corresponded with the end of the Versailles Economic Summit, where seven national leaders, including Prime Minister Trudeau, agreed to "handle cautiously financial relations with the USSR and other eastern European countries, to ensure that they are conducted on a sound economic basis, including also the need for commercial prudence in limiting export credits" (*Globe and Mail*, June 7). It was reported that the US had urged the summit nations to adopt this measure, and that Canada had been among those "questioning US insistence that credits to the Soviet Union should be curbed." Canada generally favored the French view that this would not bring about changes in Soviet foreign policy" (*Globe and Mail*, June 7).

The NATO summit which followed the Versailles summit adopted a similar statement in its final communiqué. At a press conference following the NATO meeting, Prime Minister Trudeau expressed his views on the foreign policy objectives of such measures. "Should we try and interrupt relations with the Soviet Union and hopefully accelerate their rapid demise, or shall we say that they are not going to wither away that soon and maybe the ways in which we can influence it is by using economic relations," Mr. Trudeau said. (See this issue, MULTILATERAL — Versailles Economic Summit and NATO).

After the Versailles announcement, NDP Wheat Board critic Stan Hovdebo (Prince Albert) expressed his concern for the Canadian sale June 7 in the House of Commons. In a press release the same day, Mr. Hovdebo questioned "the future of Canada's multi-billion dollar export grain trade given the export credit restrictions agreed to by the Canadian government at the Versailles summit." He stated that, "We cannot endanger this most important of customers simply on the basis of the foreign policy tactics of the US President." It had been reported that the

Soviet sale would include an "attractive six-month credit line" from the Canadian government (*Calgary Herald*, June 3).

The credit arrangements were revealed on July 12 in the House of Commons. There had been no official announcement of the \$1 billion line of credit issued by an order-in-council passed by the federal Cabinet June 10 (*Globe and Mail*, July 10). Responding to questions by Gordon Towers (PC, Red Deer) about the grain sale, External Affairs Minister Mark MacGuigan explained July 12 that "there is nothing particularly secret about this deal. We gave advance notice of it to the United States and, although it is for a short term credit, it is at market rates. In fact, according to its terms, it is considered by the OECD international rules to be a cash transaction. . . . It is on the same kind of terms as are given by the Australian Wheat Board — and also by private dealers in the United States itself."

YUGOSLAVIA

Prime Minister's Visit

Prime Minister Pierre Trudeau wound up his ten-day trip to Europe in early June with a visit to Yugoslavia June 11 to 13. It was the first-ever official visit of a Canadian head of government to Yugoslavia.

During talks with Yugoslav Prime Minister Milka Planinc and other ministers, the Canadian Prime Minister praised Yugoslavia for continuing late President Tito's policy of non-alignment. Mr. Trudeau told reporters in Belgrade that he had expressed to Prime Minister Planinc that although Canada was aligned with NATO, he hoped that the movement of non-alignment would progress in strength because "In a badly divided world, particularly on East-West questions, but also on North-South questions, it is important to have a group of nations . . . which can look objectively without having ideological hang-ups against one side or the other side." Mr. Trudeau said that he felt that Yugoslavia was a model country in that sense. Mr. Trudeau also visited President Tito's grave, paying tribute to the late leader on behalf of Canadians. Talks between the Prime Ministers also dwelt on Israel's aggression in Lebanon. Both leaders expressed their strong opposition to Israel's action. Among bilateral issues discussed was a possible bid to sell a CANDU reactor to Yugoslavia (*The Citizen*, June 12 and 14).

The *Globe and Mail* reported June 12 that "The only jarring note in the day came from the Yugoslavs who complained that Canada was not doing enough to stop Croation nationalist activities in Canada," who have held anti-Yugoslavian government meetings in Toronto. Mr. Trudeau addressed this problem during the June 11 press conference. He said, "I certainly regret it if Canada is used as an asylum to discuss hostile acts against a friendly country, but nothing in our law permits us to prevent free meetings and free political discussions providing they do not advocate terrorism or plan terrorism or other forms of illegality."