

The transformation of the Communist dictatorships into pluralistic societies based on market economies is of continuing interest. This area represents a region of the world where Canada can still deliver capital projects and where the level of foreign investment and trade flows are, as yet, grossly underdeveloped.

Strong ministerial involvement, led by the Prime Minister's visit to the Soviet Union in November 1989, plus the creation of a Task Force on Central and Eastern Europe and the availability of new types of funding for Canadian business (training and feasibility studies), underscored Canada's support for the business community in its pursuit of commerce in the region.

While trade volumes remain below potential, Canadian business is starting to respond to the changes in the Soviet Union and Eastern Europe. Many types of business are flourishing. There have been 35 joint ventures officially registered in the U.S.S.R. and over 24 in Poland. New activity has also been observed in investment funds, legal firms, accounting firms and a variety of non-governmental institutions.

In November 1989, during the Prime Minister's visit to the Soviet Union, the Canada-U.S.S.R. Business Council was

created, the Canadian co-chairman being Albert Reichmann of Olympia and York. This bilateral business organization has grown to include more than 115 Canadian companies and is an active participant in promoting Canadian business development in the U.S.S.R.

In cooperation with the Task Force on Central and Eastern Europe and the Canadian Chamber of Commerce, business development seminars on Poland were organized in February 1990. The response was excellent with more than 400 paid registrants and some 350 individual meetings with Polish business representatives.

Deputy Prime Minister Mazankowski led a Canadian business delegation to Poland in April 1990. Agreements signed during the mission include a Foreign Investment Protection Agreement, Memoranda of Understanding on Agriculture and on the use of the Counterpart Fund for local Polish development projects. A number of Canadian business visitors (from companies such as Novatel, Cambrian Engineering and Memtec) concluded agreements-in-principle to pursue new business activity.