

CANADA-RUSSIA: A NEW ERA OF RELATIONS

Canadian Prime Minister Brian Mulroney and Russian President Boris Yeltsin signed a Declaration of Friendship and Co-operation at a Parliament Hill ceremony on February 1, 1992. Its purpose was threefold: to underline the importance of disarmament and arms control commitments, to create a favourable investment climate and to protect the Arctic environment.

The leaders also signed a new agreement for Russia to purchase 25-million tonnes of Canadian grain over the next five years. In response to an urgent appeal for economic assistance, Canada extended a new \$100-million line of credit to Russia for the purchase of Canadian goods and services.

Also unveiled were a number of new projects administered by Canada's Task Force on Central and Eastern Europe as part of its ongoing program of technical assistance to Russia. Designed to assist the process of economic and democratic reform, the projects emphasize practical training and the transfer of skills, and complement Canadian private sector activities in Russia, particularly in the energy sector.

Energy Expertise

Given Canada's experience with cold weather conditions and frontier exploration, President Yeltsin asked for special assistance to improve recovery in Russia's vast but unproductive oil and gas fields. A number of projects are currently under way.

The Petroleum Industry Training Service (PITS) of Calgary has launched an ambitious \$1.6-million program to train more than 700 oil rig workers and senior managers. They will work at joint ventures run by Gulf Canada Resources and PanCanadian in Siberia. The aim is to improve efficiency and safety and to minimize environmental impact. PITS spokesperson Wayne Wetmore says training will make the Russian oil and gas industry more competitive internationally.

Focusing on a different aspect of the industry, the Canada-Russia Business Council, with help from the Task Force, has opened an office in Calgary to organize workshops and trade missions for Canadian oil and gas companies interested in

opportunities in Russia and Kazakhstan. Other initiatives under development include assistance in establishing a legislative and regulatory framework for the Russian oil and gas sector, and an Association of Canadian Community Colleges program to strengthen Russian post-secondary institutions serving the industry.

From a Focus on Defence to Democracy

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Defence conversion is another priority for Russia. But to convert its mammoth defence industry to civilian purposes, the country requires technical assistance, Western investment and technology. The Canadian Centre for Arms Control and Disarmament and the Canada-Russia Business Council recently completed on-site assessments of various Russian and Ukrainian defence industries. They are now matching interested Canadian companies with potential Russian partners for defence conversion joint ventures, and are looking at ways Canada might provide legal and financial advice to assist in the transition.

Democratization projects are also an important part of Canada's technical assistance program in Russia. Five Russian parliamentarians, together with other elected members from across Central and Eastern Europe, recently completed a 10-day seminar on the functioning of government, jointly sponsored by the Parliaments of Canada, Ontario and Quebec.

Focusing on the leaders of the future, the Faculty of Education at the University of Western Ontario is helping to develop a civics textbook for Russian secondary school students. A Canadian-Russian team is currently drafting a comparative perspective on political and social democracy and human rights that will be introduced into the Moscow School Division's curriculum in the fall of 1993.

In another University of Western Ontario initiative, 50 graduate business students travelled to Russia, Belarus, Ukraine, Lithuania and Latvia this spring to teach elementary business concepts to more than 500 students and managers. The project is a follow-up to Western's successful student initiative last year. While the benefits of transferring business skills are obvious, the Canadian instructors also stand to gain,