

production policies. Efforts were to continue in 1981 to agree on an international seabed regime in which the objectives of both developing and developed countries would be taken into account.

Canada successfully negotiated agreement *ad referendum* on its outstanding claim against the Soviet Union for damage caused by the satellite *Cosmos 954*. Important progress was made also on international legal issues involving trade and development as well as human rights and refugees.

REGIONAL CO-OPERATION

The United States

Relations with the US remained the central foreign policy challenge in 1980. The Canadian election in February and the US election in November had delaying effects on the conduct of relations. Nonetheless, some achievements were recorded: a memorandum of intent to control transboundary air pollution (acid rain) was signed; a double taxation treaty was negotiated; construction of the Northern Gas Pipeline began; Congress eliminated tax measures detrimental to the Canadian convention industry; and interim tuna arrangements were agreed upon.

A number of ongoing problems were not resolved in 1980. Chief among these was the failure to secure Senate approval for the ratification of the *Fisheries and maritime boundary treaty*. Canada continued to run a deficit in total automotive trade under the *Auto pact* and, as a result, initiated consultations with the US on the operation of the pact. Acid rain was a major focus of concern and other outstanding environmental issues included the Garrison Diversion Project and the co-operative effort to clean up the Great Lakes. The introduction of Canada's National Energy Program, in late 1980, elicited a US reaction which indicated that energy and investment would continue to feature prominently in the conduct of bilateral relations. The election in the US of a conservative administration and Senate was expected to have considerable impact in America and consequently on relations with Canada.

Latin America and the Caribbean

In 1980, the government placed greater emphasis on relations with the countries of Latin America and the Caribbean. Agreements were signed with Mexico and Argentina, joint economic meetings were held with Mexico, Brazil and Cuba and ministerial visits were made to and from Mexico, Peru, Ecuador, Chile, Argentina, Brazil and the Commonwealth Caribbean. Canada's consulates in Rio de Janeiro and São Paulo were raised to the level of consulates general and an embassy was re-established in Ecuador. Cabinet also agreed that the Commonwealth Caribbean should become an area of priority for Canadian development assistance in the Third World.

Europe

The events of 1980 bearing upon East-West relations generated increased co-operation among members of the Atlantic

Alliance, notably within NATO and at the Madrid review meeting of the CSCE, and underlined the need for improved political consultation and crisis management among Western nations.

In parallel with the increased multilateral activity to which international developments gave rise in 1980, Canada continued to develop its bilateral relations with most European countries, particularly with the members of the European Community.

Africa and the Middle East

Canada welcomed the opportunity, made possible through its membership in the Commonwealth, to contribute to the implementation of the Lancaster House agreements leading to the achievement of independence for Zimbabwe. Canada's trade with several African countries and its development assistance to many parts of the continent continued to grow in 1980.

Following resolution of the issue of Canada's embassy in Israel, Canada's bilateral relations with countries of the Middle East improved markedly, and commercial and other exchanges with several of these expanded substantially.

Asia and the Pacific Rim

The Pacific region continued to attract growing public and private sector interest in Canada. There was an intensification of high level visits in both directions, including those of Prime Minister Ohira of Japan to Ottawa, in May, and of External Affairs Minister MacGuigan to Kuala Lumpur for a meeting with the Association of Southeast Asian Nations (ASEAN) foreign affairs ministers in June.

In November, interest in the region was reflected in the holding of the Pacific Rim Opportunities Conference in Vancouver, a conference which reviewed Canada's relations with the countries of the Pacific. Canadian interest in developing the notion of a new 'Pacific community' was also confirmed through participation in the Indonesia and Australia National University seminars which discussed this concept.

SERVICES AND ASSISTANCE TO CANADIANS ABROAD

Activities were undertaken on a number of fronts to broaden the base upon which consular protection and assistance can be provided and other services made available to Canadian citizens abroad. Negotiations were pursued which should lead to a consular agreement with Hungary and to a consular convention with Romania. A series of bilateral consultations was undertaken with several other countries on consular issues of mutual interest, including those affecting Canadians holding foreign citizenship. A treaty with Peru for the transfer of prisoners was ratified and put into effect. Honorary consuls for Canada were appointed in Tijuana and Merida (Mexico) and Panama City (Panama). The department's role in facilitating reunification of families was maintained in countries where exit permits are prerequisites to emigration.