

Minister Trudeau to the Soviet Union and the return visit of the Chairman of the Council of Ministers of the USSR, Mr. Kosygin, to Canada. In the course of these meetings three agreements between Canada and the Soviet Union were signed: an Agreement on Industrial Exchanges, an Agreement on General Exchanges and a Protocol on Consultations. During 1972, both countries began to draw initial benefits from these agreements.

Under the Industrial Exchanges Agreement, Mr. V. N. Novikov, a Deputy Prime Minister of the Soviet Union and Chairman of the State Committee for Construction, visited Canada as head of an important delegation in the field of construction. His colleague, Mr. L. M. Efremov, First Deputy Chairman of the State Committee for Science and Technology, visited Canada as co-chairman of the Mixed Commission provided for under the terms of the Industrial Exchanges Agreement. During this session of the Mixed Commission, a Protocol on Scientific, Technological and Economic Co-operation was signed.

The first meeting of the Mixed Commission established under the General Exchanges Agreement was held in Moscow. The Canadian delegation, headed by J. G. Halstead, Assistant Under-Secretary of State for External Affairs, worked out with the Soviet side a two-year programme of scientific, academic and cultural exchanges between Canada and the USSR.

But for most Canadians—and probably for most Soviet citizens as well—the most significant exchange of the year was the Canada-Soviet hockey series. The series was as hard fought as it had been long sought. Some 3,000 Canadian hockey fans were able to travel to the Soviet Union to support Team Canada.

In the trade field, the Deputy Minister of Industry, Trade and Commerce, Mr. J. F. Grandy, led a Cana-

dian delegation to the Soviet Union which renewed the existing Canada-Soviet Trade Agreement and established a Joint Consultative Committee on Trade, which held its first session immediately after the renewal of the agreement.

The renewal of this Agreement was one sign among others of the growing importance to Canada of East/West trade. Canada's trade with the countries of Eastern Europe increased in both directions in 1972. In the first seven months of the year, Canadian exports to Eastern Europe more than doubled in value over the comparable period of 1971. In the same period, imports rose by a third. Four-fifths of the value of Canadian exports during this period consist of grain, thus maintaining a now traditional pattern. Furthermore, the Eastern European countries are expected to continue to be a key market for Canadian grains. At the same time, within the framework of a general trade expansion, the statistics for 1972 suggest that Canadian exporters can find in Eastern Europe not only accustomed outlets for Canadian grains and industrial raw materials but, increasingly, for Canadian high technology exports of machinery and equipment as well.

During the year, other developments marked the steady expansion of Canada's bilateral relations with the countries of Eastern Europe. Well-established contacts with Poland and Yugoslavia in such fields as trade and tourism continued to be strengthened; relations with Hungary witnessed an important new development in the establishment of a resident Canadian embassy in Budapest under a Chargé d'affaires; and at the end of the year, the Government announced its willingness to enter into negotiations with the German Democratic Republic with a view to establishing diplomatic relations.

WESTERN HEMISPHERE

The Commonwealth Caribbean

Canada's relations with the Commonwealth Caribbean have been close, resulting from common association in the Commonwealth and the movement of people

between the region and Canada as tourists, businessmen, students and immigrants. The current phase of relations with the region stems from the Commonwealth Caribbean-Canada Conference, held in Ottawa in 1966. This established a broad framework and guide-