

Northwestern Europe

Britain

Relations between Canada and Britain, based as they are on ties of kinship, common history and similar systems of government, thrive on the free exchange of people and ideas. Characterized by cordiality, frankness and mutual support, the association has matured and diversified over the years through the evolution of Britain's international role and the multiplication of Canada's interests and commitments. With a similarity of outlook on many issues, Canada and Britain collaborate to good effect in the various international bodies to which they both belong, such as NATO, the Commonwealth and the United Nations. Their bilateral relations extend far beyond the confines of the traditional activities of diplomats and officials; a keen interest exists in both countries in sharing experience in a diversity of fields, which included in 1977 industrial research and development, broadcasting, housing, health and welfare, anti-inflation measures, education, consumer protection, energy production and defence co-operation—to name only a few.

Britain is Canada's third-largest trading partner, after the United States and Japan. Changes in traditional trading patterns have resulted from Britain's adherence to the Treaty of Rome, and their evolution will doubtless be influenced by the "contractual link" established between Canada and the EEC in 1976. Britain also remains, as it has been for generations, a leading source of corporate capital in Canada. Business and government in Canada continue to encourage increased British participation in joint ventures in Canadian industry. The City of London, always important to Canada as a source of capital, is seen today as a pivotal factor in investment from other European countries. These and other economic questions were the subject of consultation throughout the year; a more formal review of issues took place during the twenty-fourth session of the Canada/United Kingdom Continuing Committee, held in London in January.

After his coast-to-coast Canadian tour in 1976, Prime Minister Callaghan returned to Ottawa in March for a two-day visit. In the capital, he met with Prime Minister Trudeau for discussions on a number of matters of multilateral concern, including the Downing

Street and NATO summit meetings, and the Commonwealth heads-of-government meeting, all held in London later in the year. Accompanying Mr Callaghan was Dr David Owen, paying his first visit to Canada as Foreign Secretary after the untimely death of Anthony Crosland.

During the year, Canada also welcomed on working visits Albert Booth, Secretary of State for Education, John Fraser, Minister of State for Prices and Consumer Protection, and Gordon Oakes, Minister of State for Education. Several Canadian federal and provincial ministers met during the year with their British counterparts for discussions on a wide variety of questions. Among them were the Minister of State for Science and Technology and the Ministers of Communications, National Health and Welfare, Consumer and Corporate Affairs, Energy, Mines and Resources, and National Defence. London also received Premier Lougheed of Alberta before he visited the Middle East in June and Premier Bennett of British Columbia during his economic mission to Europe in September. Both were seeking to interest British investors in the opportunities available in Western Canada.

Britain retains importance for Canada in the exchange of people and ideas to a degree matched by few other countries. This process is evident both inside and outside the operations of government, and is strengthened by the annual movement of immigrants from Britain, who numbered close to 20,000 in 1977 (more than from any other country). The momentum of cultural exchanges, which has quickened in recent years, continued in 1977. The Queen's Jubilee was the occasion for performances of the RCMP Musical Ride and an exhibition on the work of the Force. Also part of Canada's contribution to the commemorative year was a photographic exhibition that was shown in several British cities.

British audiences were introduced to Canadian folk and contemporary music by the "Musicanada" concerts in London. The series included performances by the Orford Quartet,