

"International Canada" is a paid supplement to **International Perspectives** sponsored by External Affairs Canada. Each supplement covers two months and provides a comprehensive summary of Canadian government statements and of political discussion on Canada's position in international affairs. It also records Canadian adherence to international agreements and participation in international programs. The text is prepared by **International Perspectives**.

Bilateral Relations

USA

Visit of US Secretary of State

US Secretary of State George Shultz visited Canada October 24 to 25 on his first official bilateral visit abroad as Secretary of State. Discussions in Ottawa covered a wide variety of bilateral and international issues of concern to the two countries (External Affairs press release, October 18). At a press conference October 25, Mr. Shultz said that he and External Affairs Minister Allan MacEachen had agreed during the visit to meet at least four times a year to patch up quarrels and ease tensions. The most concrete agreement reached between the two foreign ministers was for the exchange of memoranda on acid rain before the end of the year (*The Citizen*, October 25).

Canadian Envoy Honored

Canada's Consul-General in New York, Kenneth Taylor, was honored at the US Embassy in Ottawa November 8 for his role in the protection of six US diplomats from being taken hostage in Iran in 1979. US Ambassador Paul Robinson presented Mr. Taylor with a specially designed flag combining elements of the flags of both countries at the ceremony (US Embassy press release, November 9).

Business Executives Visit Ottawa

Twenty-two US corporate business executives were in Ottawa October 19 and 20 to participate in talks with Prime Minister Trudeau and senior cabinet ministers. The "battalion of the heaviest of the US corporate heavyweights" was invited to the round of meetings by the Niagara Institute, an independent organization which promotes healthy relations between Canada and the US. The meetings were designed to give cabinet ministers the chance to counter negative US publicity concerning Canadian nationalistic programs such as the Foreign Investment Review Agency and the National Energy Program. According to Prime Minister Trudeau, the meetings went well and several businessmen attending told the press that they had reached a better understanding of Canada's economic

policies (*The Citizen*, and the *Globe and Mail*, October 22).

In an interview published in the *Globe and Mail* October 25, the President of the Niagara Institute said that he viewed the October sessions as a success, and that the Institute intended to plan similar visits as regular events.

Ontario Premier Defends FIRA

Ontario Premier William Davis criticized Canadian businessmen October 8 for failing to promote a more positive image abroad of Canada's economic policies, especially the Foreign Investment Review Agency (FIRA). Davis told a group of 250 people at a Conference Board of Canada luncheon that he has been "a little disturbed" when he travels and hears of the "lack of desire by Canadian businessmen to defend and explain the policy [FIRA] — I know there are some problems with FIRA — but I don't quarrel with its philosophical intent." Americans have the idea of the extent to which Canada's economy is dominated by foreign-owned firms, and are much more sympathetic when the situation is explained, Mr. Davis said (*Globe and Mail*; *Toronto Star*, October 8).

Canadian Lumber Exports

The US International Trade Commission (ITC) decided November 17 that imported lumber from Canada appeared to be injuring the US lumber industry. The decision meant that the US Commerce Department would investigate whether Canadian practices, including selling Canadian government timber to private companies at prices allegedly below market value, constitute an unfair subsidy to Canadian producers (*The Citizen*, November 18).

On October 7, a US group called the Coalition for Fair Canadian Lumber Imports had filed a petition with US agencies calling for massive duties to restrict imports of Canadian softwood lumber, shakes, shingles and fence. The group, representing about 350 mostly small forest product companies from northwestern and southern states, believed their business had been damaged by what they charged amounted to government subsidies because

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