

In fall 1990, the Department launched the Renaissance Eastern Europe Cost-sharing Program to assist Canadian firms establishing joint ventures in both the U.S.S.R. and Central/Eastern Europe by sharing front-end costs. A number of Canadian companies have already benefited from this support.

Canadian exports to the U.S.S.R., primarily grain, reached a value of \$1.12 billion in 1990. Imports were a record \$185 million.

In May 1990, during President Gorbachev's visit to Canada, a \$500-million line of credit for capital goods and services was agreed upon between the EDC and the U.S.S.R. Bank for Foreign Economic Activity. Reflecting the importance of multilateral financial initiatives, Canada also helped found the new European Bank for Reconstruction and Development.

The Canadian business community continued to display a strong interest in the Soviet market, particularly in the energy, communications and agri-food sectors. There are now more than 50 Canadian joint ventures in the U.S.S.R. The largest and most prominent are the McDonald's of Canada food processing and restaurant operation in Moscow, and the Canadian Fracmaster oil-recovery scheme in Western Siberia. The Department participated in two international trade fairs in the U.S.S.R. aimed at promoting business in farm machinery and aerospace technology.

The Canadian academic community has maintained its commitment to help provide much-needed managerial skills and knowledge about market economies. A centrepiece of this effort is the third annual phase of the federally supported Entrepreneurial and Management Training Program for Soviet and Central/Eastern European business people at York University.

Two-way trade between Canada and the countries of Central/Eastern Europe totalled \$544 million in 1990. Canada is evaluating large-scale financing for Romania, and renewal of its lines of credit to the Czech and Slovak Federal Republic and to Hungary. In addition, Poland has been offered a new short-term insurance facility.

By March 1991, there were approximately 40 Canadian joint ventures in Poland, and over 100 in Hungary. Joint ventures are also being created in other Central/Eastern European countries, albeit at a more moderate pace. New activity is also occurring in investment funds, law and accountancy.

IMMIGRATION

The initial euphoria generated by the changes in Eastern Europe was tempered in 1990 as the region

struggled to cope with the legacies left by former regimes: serious pollution, rising unemployment and inflation and, particularly in Yugoslavia and the Soviet Union, increased nationalism and inter-ethnic tension.

The economic, political and social problems in Eastern Europe and the U.S.S.R. made emigration from the area increasingly attractive. Independent immigrant processing was instituted throughout the region on September 1, 1990, and new visa sections opened in Canadian embassies in Prague and Bucharest. In 1990, 25 947 East Europeans emigrated to Canada, an increase of 8.6 percent over 1989. Of these, 11 473 immigrants were processed through East European posts. With the almost complete relaxation of travel and exit regulations in Eastern Europe, Canadian missions in the area issued 93 954 visitor visas in 1990, up 18.9 percent from the previous year.

ACADEMIC, CULTURAL AND SCIENTIFIC RELATIONS

The reforms in Eastern Europe enabled institutions and individuals to develop direct contacts and cooperation with foreign counterparts. As a result, there was a marked increase in bilateral exchanges in the cultural, academic and scientific fields between Canada and Eastern Europe in 1990/91.

Canadians in various fields have conducted courses and seminars through the Program of Assistance for Central and Eastern Europe. East European academics have been invited to Canada in order to exchange information and to further their knowledge. Similarly, Canadian academics and specialists have visited Central and Eastern Europe to lecture, advise and counsel students, teachers and managers on a wide range of subjects related to the economic and political changes occurring there.

A memorandum of understanding on cultural, scientific and sports relations was signed with the Czech and Slovak Federal Republic.

The program of exchanges in the academic, scientific and cultural fields with the U.S.S.R. was updated. Funding has been made available to enable over 35 graduate students and researchers to come to Canada. The Soviets have invited a similar number of Canadian graduate students and researchers to the U.S.S.R.

The Royal Winnipeg Ballet toured successfully in June. EAITC also supported a conference organized by York University in Toronto entitled "Glasnost and the Global Village." In addition, the Battlefield House Museum has signed an agreement with the Borodino War Museum in the U.S.S.R.