

wheat, and electrical equipment.

Canadian exports to Slovenia in 1996 totalled C\$ 26.8 million, out of a total bilateral trade of C\$ 82 million. Major export items included helicopters, food and drink, wood and wood products, and machinery.

TABLE 3

Country	Cdn Exports*	Cdn Imports*
Czech Republic	\$ 65.0	\$ 95.0
Slovakia	\$ 14.3	\$ 19.7
Hungary	\$ 40.4	\$ 47.6
Poland	\$ 155.0	\$ 143.0
Slovenia	\$ 26.8	\$ 55.2

* In millions of Canadian dollars for 1996 (re-exports included). Source: Statistics Canada

CONTINENTAL AND GLOBAL INTEGRATION: THE FREE TRADE ZONE

As world trade becomes more integrated, many states are seeking to join free trade zones.

The Central European Free Trade Agreement (CEFTA) was created to improve the trade balance of participating member countries, by taking advantage of their geopolitical position to create a more attractive market environment for foreign investment.

In line with European Union membership criteria, CEFTA countries must lay out a serious plan for market and financial restructuring, and inflation and debt control, as well as provide evidence of an openness to foreign investment.

The EU has signed a new generation of accords known as the Europe Agreements (or Association Agreements) with the Czech Republic, Slovakia, Hungary, Poland, and Slovenia. These Agreements constitute a pact between the EU and the five individual CEFTA countries. Together they have established a plan of action and an institutional framework designed to: create a free trade zone within 10 years; foster political dialogue; govern trade and economic relations; and promote cooperation and assistance in the financial, industrial, and cultural sectors, an element of which will be the creation of common institutions.

The economic dynamics created by the Association Agreements are encouraging Canadian companies to seriously consider making direct investment and increasing their presence in these markets.

OPEN FOR BUSINESS

Becoming "open to foreign business" has entailed such major adjustments as rationalizing and modernizing the