

## CANADA AND THE UNITED KINGDOM - BILATERAL RELATIONS

Much of Canada's linguistic, parliamentary, legal, and cultural heritage comes from the links that were forged with the United Kingdom. Over the years Canada's relationship with the United Kingdom has changed to reflect new trade and business patterns, military alliances, and the inevitable effects of our geographic proximity to the United States. Above all, the United Kingdom is a leading member of the European Communities and it is in this context that our political and commercial ties with the United Kingdom must be considered. The United Kingdom is still our second largest market for foreign capital, our leading market in Europe and, one of our largest sources of immigrants.

The visit of Prime Minister Thatcher to Canada highlights the on-going political/economic/scientific consultations on bilateral and multilateral issues which regularly take place between our two countries. Prime Minister Trudeau's invitation to Prime Minister Thatcher to visit Canada provides a timely opportunity for both Summit leaders to exchange views. Topics likely to be discussed in depth are East-West questions, the world economic situation, and a general review of bilateral relations, trade and investment.

Given the close consultation that is carried out on a daily basis, it is not surprising that irritants are few and far between. Paradoxically, we must be careful not to become self-satisfied as we must work to expand our bilateral trade and investment prospects. Thus, the visit of Prime Minister Thatcher can be viewed as giving the relationship an added impetus.