

directly by identifying export opportunities, establishing contacts with foreign government agencies and organizing defence trade seminars and incoming and outgoing missions. The annual High Technology Industries Export Conference provided a valuable forum for over 450 industry representatives to meet with trade commissioners from 67 foreign posts and 15 government agencies.

The Bureau was also involved in international trade and foreign relations aspects of Canadian defence procurements, and managed Canadian industrial participation arising from bilateral and multilateral co-operative defence research, development and production (RDP) agreements with eight European nations as well as the Canada-United States Defence Development and Defence Production Sharing Arrangement.

1984 was a record year for exports of defence and defence-related products. Total exports rose to \$1.8 billion, of which \$1.4 billion was to the United States. The largest single sale was the order for seven Canadair "Challenger" aircraft by the German Ministry of Defence.

The market opportunities in the United States led to increased efforts to expand exports. This was highlighted by a series of defence procurement seminars in major cities across Canada in November and December, plus participation in other seminars, trade fairs and missions in both countries. The main market development initiatives for overseas countries were equipment demonstrations in the Middle East and outgoing security and defence trade missions to three Latin American countries and to four Pacific Rim countries.

### **Science and technology**

Concentrated efforts to encourage the inflow of foreign technology are aimed at enhancing Canadian economic development. To this end, a broad range of bilateral and multilateral relations was stimulated and maintained. Formal consultations to co-ordinate the various projects and exchanges were held in 1984-85 with Japan and France. In this period, the Department's Catalytic Seed Fund, which helps initiate technology exchanges, spent about \$200 000 supporting 88 separate projects, three times more than in the previous year. Most of this support was to the private sector. Similarly, steps were taken to facilitate direct transfers of foreign technology for commercial exploitation by Canadian industry, through the reorientation and training of science and technology specialists and trade commissioners and through the creation of effective linkages to Canadian firms across the country. In Ottawa, External Affairs brought together the federal science-based departments and agencies to co-ordinate their international activities in leading edge areas such as biotechnology and information technologies.

### **Nuclear questions**

In 1984, Canada became the world's leading producer of uranium, producing 10 700 tonnes. Canada's domestic nuclear program requires about 15 per cent of this and the remainder is exported. Reflecting continuing weakness in world demand, most new sales were obtained on the spot market, with significant ongoing deliveries being the result of long-term contracts. Canada's major export customers continued to be Japan, Western Europe and the United States. Although the international market for nuclear reactors

remained stagnant, the excellent performance of the CANDU 600 in Korea and Argentina as well as in Canada provided an incentive to the continued pursuit of sales prospects in a number of countries, including Turkey, Portugal, Egypt, Yugoslavia, Indonesia, Korea and Romania.

Canada joined other traditional exporters in clarifying internationally agreed lists of nuclear items, the export of which "triggers" the application of such requirements as safeguards and non-explosive use assurances. Canada was also involved in discussions with the other major suppliers on measures designed to advance non-proliferation efforts.

Agreement was reached on the text of a nuclear co-operation agreement with Turkey, providing the framework for a government-supported marketing effort there by Atomic Energy of Canada Limited (AECL). Reflecting Canada's role as a significant nuclear exporter and as a major proponent of an effective and comprehensive international non-proliferation regime, consultations were held with the US, the USSR, Korea, Australia and Mexico; discussions with Switzerland also took place and negotiations were held with Euratom and France to update existing agreements.

Canada maintained its active role in the International Atomic Energy Agency (IAEA) and the OECD Nuclear Energy Agency. In the IAEA, safeguards and technical co-operation continued to be areas of particular interest, and were prominent among the subjects discussed during the second annual consultations with the IAEA in March 1985. The Department was also extensively involved in preparations for the third review conference of the Treaty on the Non-proliferation of Nuclear Weapons scheduled for September 1985, and also the UN conference on the Peaceful Uses of Nuclear Energy (PUNE), to be held in 1986.

### **International space developments**

Canada is a world leader in space and communications technology and the Canadian space program continues to be strongly oriented towards international co-operation. In March 1985, Canada agreed to participate, with Japan and the European countries, in the US manned space station program. This will be the major civilian space venture in the next decade and beyond, dramatically altering many of the established ways of operating in space. Canada, through its association with the European Space Agency, is a major participant in the European Remote Sensing satellite project ERS-1 and the "Olympus" large communications satellite (LSAT) project, both due for launching later in the decade. The successful launch in February 1985 of the Canadian-built Brasilsat communications satellite marked the entry of the Canadian space industry into potential new markets. Canada continued in 1984-85 to work actively in the United Nations Committee on the Peaceful Uses of Outer Space, in an effort to promote international consensus on such issues as remote sensing principles and the use of nuclear power sources in outer space.

### **Technology and services developments**

The rapid growth of the overlap between telecommunications and data processing continued unabated. The convergence of these technologies, known as teleinformatics, or telematics, has led to the establishment of new industry sectors, including videotex and office automation, in which Canadian companies