

IX. Population

	Canada	United States
1982	24.7 million	231.3 million

The European Community and Western Europe

Canada's relations with West European countries both in and outside the European Community remained strong during the year. Prime Ministerial and ministerial visits, often reciprocal, cemented some initiatives and instituted others. In March, the British parliament passed the *Canada Act* which patriated the Canadian constitution after many years of discussion and negotiation. Changing economic and political conditions brought about attempts to revitalize our ties with France and the United Kingdom. There were increased opportunities for exchanges in science and technology and in the industrial, energy and environmental sectors. Trade fairs, industrial co-operation missions and business seminars promoted trade.

The difficult global economic situation was the major factor influencing our trade relations with Western Europe. As a result of lower product prices and greater sensitivity to imports there was increasing use of anti-dumping and countervailing duty procedures against low-priced products originating on both sides of the Atlantic.

As a result of the economic conditions and the growing strength of the Canadian dollar against European currencies, Canadian exports to Western Europe in 1982 declined from 1981 levels by more than 15 per cent. Imports fell by 12.4 per cent in a total two-way trade of almost \$16 billion. Western Europe is Canada's largest foreign market after the United States, accounting for 10 per cent of total Canadian exports. There was a trade balance in Canada's favour of more than \$1.7 billion in 1982. The United Kingdom, West Germany, the Netherlands, Belgium and France continued as our leading markets.

Western Europe is an important market for agricultural commodities such as wheat, and other resource-based commodities such as forest products, ores and fish. Finished products, such as automotive and aircraft parts, telecommunications, office, industrial, and agricultural equipment, increased to 17 per cent of total Canadian sales to Western Europe, continuing a 10-year trend.

Europe is the centre of world fair trade activity and departmental participation through the Trade Fairs and Missions Program has generated sales of some \$500 million from these events. Significant among successes are those in the automotive parts, electronic and telecommunications equipment, and printing and packaging industries. Other special projects have brought buyers from Europe to Canada, mounted seminars on counter-trade by Canadian experts in European centres and advised Canadian industry on participation at fairs where the Department does not sponsor a national exhibit.

The Department sponsored a special program early in 1983 to develop new exports to Western Europe. Twenty-

four Western European trade commissioners participated in a series of workshops and seminars in Canadian cities and met with business representatives interested in developing export strategies.

The European Community

The Canada-EC Joint Co-operation Committee promotes and reviews the various commercial and economic co-operation activities between the European Community and Canada. During its meeting in Brussels in January 1983, the Deputy Prime Minister and Secretary of State for External Affairs reaffirmed Canada's long-term commitment to the 1976 Framework Agreement on Commercial and Economic Co-operation. The committee approved a work program for the year which was to focus on the potential for expanding co-operative activities in areas such as transportation and energy. One example of co-operation under the Agreement was the World Symposium on Asbestos, held in Montreal in May 1982 and sponsored jointly by Canada, Quebec and the EC on the topic of "Asbestos, health and society." The signature of a Memorandum of Understanding on Waste Water Management in early 1983 was another example of research and development collaboration on a project of mutual interest.

During the regular semi-annual consultations, Canadian and EC officials discussed various trade and economic issues in areas such as footwear and newsprint; countervailing duties investigations; pricing agreements for agricultural goods, notably cheese and wheat; Canadian provincial liquor board marketing practices and the implications of the Foreign Investment Review Agency for European investment in Canada.

High-level meetings were held to discuss current industrial co-operation in sectors such as iron and steel, coal, uranium, forest products, energy, transportation, science and technology - including medical research, nuclear waste treatment, long-term forecasting and evaluation - and atmospheric pollution. New project possibilities include co-operation in thermonuclear fusion research, biotechnology, the automatic processing of natural languages, climatology, water quality and transboundary pollution.

Major tensions with the EC centred on seals and fisheries. On February 28, 1983, the EC Council of Environment Ministers passed a resolution banning the import of seal pup skins into the European Community, effective October 1, 1983, for two years. An EC study on the scientific aspects and consequences of culling the herd is to be presented on September 1, 1983, and the resolution will be reviewed on October 1.

The Canada-EC Long-term Agreement on Fisheries (LTA) provided for Canadian access to the EC market for Canadian fish products at lower tariff rates in exchange for allocations of fish in Canadian waters for Community fishermen. As a