

The January 1977 visit of Mr Jamieson to Brazil laid firmer foundations for an expanded political and economic relation with this important hemispheric partner. Mr Jamieson's visit was followed in October by the visit to Canada of the Brazilian Minister of Agriculture, who signed a memorandum of understanding on agricultural co-operation with Canada's Agriculture Minister Whelan.

In partnership with Paraguay, Brazil is currently developing a huge hydroelectric project at Itaipu on the Parana River. Canadian businessmen have for some time been competing for contracts to supply the Itaipu site with the turbine generators and related technical services it requires.

The Canada-Brazil Chamber of Commerce continued throughout 1977 to strive for closer economic bonds between the two countries.

Mexico

Canada's relations with Mexico have a broader base than its relations with any other Latin American country. Important contacts have been developed over the years in the political, economic, cultural, energy, civil-aviation and tourist spheres. With the advent of the new administration of President Lopez Portillo came a new momentum for the development of co-operation, particularly of an economic nature.

The third meeting of the Canada-Mexico Ministerial Committee, held in Ottawa in November, provided a useful introduction to key ministers and officials in the Portillo administration and encouraged the search for new kinds of co-operation. It also provided the occasion for the signing of the Prisoner Exchange Treaty, first discussed during Mr Jamieson's April visit to Mexico, which will permit Canadians sentenced by Mexican courts to serve their terms in Canadian penal institutions and will give the same privilege to Mexicans in Canadian prisons. Another important contact was the visit to Mexico of a delegation of Canadian parliamentarians led by Senator Molgat and Gus MacFarlane, M.P.

Bilateral trade continued to increase, reaching a value of \$412 million in 1977, approximately \$50-million more than in 1976. Efforts were made during 1977 to develop Canadian participation in the urban-transportation, oil-equipment, aluminum-smelting and nuclear-energy sectors.

The number of Canadians visiting Mexico was estimated to have increased to 235,000, an increase of about 25 per cent over 1976. Canada now has honorary consuls in Acapulco and Guadalajara to complement the work of the Embassy by providing services to the many Canadian tourists and Canadians living in Mexico.

In November, the Mixed Commission established under the terms of the Cultural Agreement signed by Prime Minister Trudeau during his visit in 1976 met in Ottawa to re-examine the existing programs and to plan future cultural exchanges.

Andean region

Development assistance and trade are the major components of Canada's relations with Colombia, Ecuador, Peru and Bolivia. Canada has established, under the auspices of CIDA, bilateral development co-operation programs in three of these countries, and Ecuador is eligible for assistance on a project basis. Trade has increased steadily throughout the 1970s and reached \$310.7 million in 1977, an increase of \$200 million over the 1970 figure. This trend was expected to continue.

Relations with Colombia and Peru in 1977 were highlighted by the visit of the Secretary of State for External Affairs. To emphasize the degree of Canada's interest in aiding in the development of these countries, a number of co-operation agreements were signed or announced during the visit. In Bogota, Mr Jamieson exchanged with the Colombian Foreign Minister the instruments of ratification of the Colombian-Canadian Commercial Agreement.

Relations with Bolivia were strengthened by the signing of a development co-operation agreement establishing a framework for Canadian development assistance. A group of officials from the Bolivian Foreign Ministry visited Ottawa in September to study the organization of the Department of External Affairs.