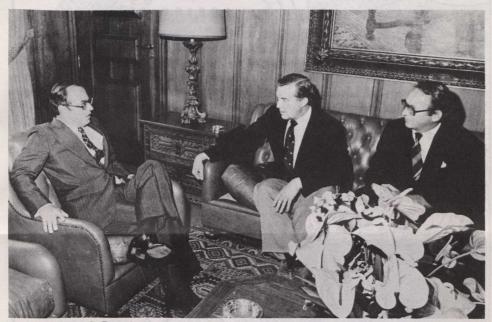
## Agricultural trade mission visits Brazil



New Brunswick Premier Richard Hatfield recently led an agricultural trade mission to Brazil to establish commercial contacts. Mr. Hatfield and Canadian Consul General in Rio de Janeiro Brian Schumacher visited Governor of the State of Rio de Janeiro Chagas Freitas. Mr. Schumacher also hosted a reception in the Premier's honour, which was attended by more than 80 Canadians in Rio. In São Paulo, where over 100 persons attended a reception, hosted by Canadian Consul-General Victor Lotto, Mr. Hatfield and his group spent a day with the Brazilian co-operative, Cotia, which imports some 50 per cent of seed potatoes, mainly from Europe. Cotia indicated its intent to import some Canadian potatoes on a trial basis. Possibilities also exist for Brazil to import Canadian cattle, swine and sheep. The photo shows (from left to right) Governor Paulo Salim Maluf of the State of São Paulo in conversation with Premier Hatfield and Mr. Lotto.

## Canadian grain exports to Soviet Union resume

Canada has decided to resume grain exports to the Soviet Union along normal lines and not to agree to volume restraints on these exports during the 1980-81 crop year, Secretary of State for External Affairs Mark MacGuigan told the House of Commons Standing Committee on External Affairs and National Defence, in Ottawa, November 28.

The policy, announced by the Canadian government last July, was that grain sales to the Soviet Union would be at normal and traditional levels and no fixed ceiling would be established for the present 1980-81 crop year, said Dr. MacGuigan.

The decision to resume grain exports was taken "because of the inferior position of Canadian exports to the U.S.S.R. in relation to the sales in the last crop year of other exporters and the concerns expressed in Canada and in other countries about the operation of the U.S.A. partial embargo policy", said the minister.

Dr. MacGuigan told the committee that it was "Canada's intention to maintain its grain exports to all of its traditional markets, including the Soviet Union". He said that while Canada intended to increase exports to the Soviet Union in this crop year over last year's level, it was not the intention of the government to take advantage of the United States' export policies or other exporters nor to increase Canadian shipments beyond the levels which would have been exported in the absence of the partial embargo policy.

The government has been reviewing Canada's relations with the U.S.S.R. in recent weeks, said the minister. In light of the situation in Afghanistan and the general international situation, the government intends to continue to keep relations with the U.S.S.R. under close review.

Canada remains very much of the view that the Soviet occupation of Afghanistan must be ended and that there should be a negotiated settlement which adequately protects the interests of all parties, he said. Canada also believes that the continued Soviet occupation of Afghanistan remains a major impediment to improved bilateral Canadian/Soviet relations. Therefore, the government shall be taking no initiatives designed to achieve improvements for their own sake, said Dr. Mac-Guigan. Any modifications in policy that may be necessary to protect the Canadian interest will be made in a selective and restrained manner, and on a case-by-case basis, he added.

## Joint satellite program

Minister of Communications Francis Fox has announced a joint Canada-U.S. program aimed at exploring the use of satellites to improve mobile communications.

The studies under the \$2.2 million program are to be sponsored by the Department of Communications in Canada and the National Aeronautics and Space Administration in the U.S. The program is another in a series of joint Canada-U.S. space ventures since 1959, which has included the *Alouette*, *ISIS* and *Hermes* satellites, as well as the Search and Rescue satellite (SARSAT) program currently under way.

It is believed that a satellite-aided, mobile communication system could provide a variety of mobile telephone services without the distance restrictions of terrestrial systems. It would also be possible to communicate from regular telephones in homes and buildings to mobile telephones in private cars and commercial vehicles anywhere in North America. In addition to its many public uses, Mr. Fox said that such a satellite system would provide mobile service to various Canadian government users, notably the Department of National Defence.

The studies on the feasibility of using a satellite for mobile communication will precede a full Mobile Satellite (MSAT) program submission which could be made to the federal Cabinet in 1982. If approved, the full co-operative program covering the development, manufacture and demonstration of the satellite program could start in 1983-84 and would cost between \$400 to \$500 million, to be shared between Canada and the U.S.