

Numerous bilateral issues were dealt with during 1979; among these, a particularly positive development from the Canadian point of view was the British decision late in the year not to move Air Canada's London operations from Heathrow to Gatwick Airport.

Visits and contacts between Canada and the Federal Republic of Germany (FRG) increased significantly in 1979. The FRG Economics Minister visited Canada and held extensive economic and trade discussions with several Canadian ministers. In April, the first round of economic consultations at the senior level took place in Bonn. Shortly afterwards, an influential group of German industrialists and investors (German Federation of Industries) toured Canada to obtain first-hand information and assess prospects for increased Canada-FRG trade. A number of possible joint ventures are under consideration as a result of this mission. During the summer, German parliamentarians visited Canada for discussions and a tour of Camp Shilo, Manitoba, where Canada provides training facilities for West German troops. The Speaker of the Senate visited several German cities, while her counterpart, the President of the Bundesrat and Mayor of Berlin, toured Canada and met with Canadian ministers to exchange views on political and economic matters.

In terms of trade expansion with the FRG, current trends are encouraging. In 1979, Canada's total exports to the FRG amounted to \$1.4 billion, representing an increase of 75 per cent over 1978. Canada thereby moved from the twenty-fifth to the twentieth position as a supplier to the FRG, which has become Canada's fourth largest bilateral export market.

The visit in February 1979 of the French Prime Minister, M. Raymond Barre, constituted an important milestone in the consolidation of Canada's relations with France. Concrete results were achieved in the economic sector; for instance, it was announced that French technology would be used for practicability studies on Arctic gas liquefaction and development. In addition, three agreements were signed pertaining to extradition, transfer of prisoners and social security, the latter being a framework agreement paving the way to separate memoranda of understanding between French social security authorities and Canadian provinces.

The ministers accompanying Mr. Barre also held important discussions with their federal counterparts. Thus, the Secretary of State to the French Minister of Foreign Affairs held talks with the Secretary of State for External Affairs; the French Minister of Culture and Communications discussed co-operation in the growing field of cultural industries with Canada's Secretary of State; and the French Secretary of State for Small Industries exchanged views with his Canadian counterpart.

Following the French Prime Minister's visit, the pace of activities in a number of sectors accelerated. During the national congress of the *Association France-Canada* held in Lyon in April, Mr. Barre, who attended personally, under-

lined publicly the opportunities that Canada's desire to diversify its economic and trade relations abroad represented for France. While Canadian officials visited France to explain Canada's industrial policy and to explore the possibilities of joint ventures with France in third countries in specialized areas, French industrialists and key officials in the energy field came to Canada to study possible purchases and joint production of coal. A technical agreement was concluded in the field of interactive television which may lead to promising joint endeavours in telecommunications. Commercial relations continued to flourish with total two-way trade at approximately \$1.4 billion.

The Canada-France Mixed Commission on Cultural Affairs met in Paris in June; discussions with French officials focused on a number of joint projects which the Federal Government could undertake in co-operation with the provinces. The Premier of Saskatchewan visited France and other European countries in the fall for discussions on the possible sale of uranium and other minerals mined in his province. In December, Miss Flora MacDonald paid an official visit to Paris—her first bilateral visit, thus underlining the importance of Canada-France relations.

Other important visits during the year included a Senatorial mission on the impact in Canada of the "computerization of society", presided over by the former French Minister of Labour; a visit to Canada in late August of a group of French Senators of the "Groupe d'Amitiés France-Canada"; and a mission led by the French Secretary of State for Education to Ottawa, Vancouver and Toronto in October, to further Franco-Canadian co-operation in second-language teaching.

In the technological field, Franco-Canadian co-operation in the construction of a telescope on Mount Kauna in Hawaii was inaugurated in September in the presence of French and Canadian ministers and officials.

Eastern Europe

Relations with Eastern Europe were marked by expanded trade opportunities, bilateral political and trade consultations, and other discussions related to the expansion of academic and cultural contacts, the improvement of consular procedures, and preparations for the 1980 CSCE conference.

Canada-U.S.S.R. relations in 1979 included a comprehensive and productive round of official-level consultations held in Ottawa in April to review international and bilateral issues; this was followed in September by a useful meeting at the UN General Assembly between the Secretary of State for External Affairs and the Soviet Foreign Minister. Both occasions served to underline the fact that while the two countries did not always agree, they could work together to resolve common problems. For example, the two sides agreed to a special meeting to review consular and consular-related problems. The meeting took place in October and, in addition to the resolution of a number of