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## CANADA-FRANCE RELATIONS

Bilateral relations between Canada and France are friendly and productive.

In 1992, the value of trade between our two countries reached nearly \$4.5 billion. From 1980 through 1991 the value of French investments in Canada increased from about \$1.3 billion to \$4 billion, placing France third among European Community countries with investments in Canada.

In 1972, Canada and France signed an agreement on fisheries in the northeast Atlantic, giving each country reciprocal access to Canadian and French waters. No agreement was reached, however, on delimiting the maritime boundary between Canada and France (i.e., Saint-Pierre et Miquelon). A 1989 agreement set up an arbitration tribunal to deal with this question. In June 1992, the tribunal recognized Canada's jurisdiction over most of the disputed zone. Canada and France then began discussions to set fishing quotas for French ships in the Canadian exclusive economic zone. These discussions failed and, on October 9, 1992, Canada set what it felt were equitable and reasonable quotas for France.

Canadian investment in France has also increased noticeably over the past decade. This trend should continue through 1993 with such major

initiatives as Northern Telecom's significant capital investment in Matra Communication; capital investment in the Carnaud Metalbox packaging group by Parfinance (a French holding company owned jointly by Belgian interests and by Power Corporation); construction of a plant to build prefabricated houses in Rumminghem, northern France; the establishment of a subcontracting plant in Tours; and the purchase of a fruit juice manufacturer by the agri-food giant McCain France. In all, some 100 French companies depend on Canadian capital to some extent.

Cultural co-operation between France and Canada operates through government structures (i.e., a 1965 cultural agreement and numerous exchange programs) and through the energetic activities of artists and the spread of their works in the two countries.

Especially effective in promoting an understanding of Canada among the French are the 15 Canadian Studies Centres located throughout France. As well, France and Canada are working closely in the audiovisual field through co-production agreements and joint participation in TV-5. This partnership involves major economic interests, with more than \$300 million invested in joint productions since 1986.