

DEPARTMENT OF EXTERNAL AFFAIRS MINISTÈRE DES AFFAIRES EXTÉRIEURES

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CANADA AND THE SOVIET UNION

SIGN BILATERAL TRADE AGREEMENTS

The Secretary of State for External Affairs, the Right Honourable Joe Clark, and the Minister for International Trade, the Honourable Pat Carney, announced today that Canada and the USSR have signed a number of bilateral trade agreements, including the Canada/USSR Grains Agreement.

Mr. Clark and Miss Carney were present when the Minister of State (Canadian Wheat Board), the Honourable Charles Mayer, and the Soviet Deputy Minister of Foreign Trade, Mr. Viktor M. Ivanov, signed the Grains Agreement on behalf of their respective governments. The Agreement calls for the Soviet Union to purchase a minimum of 25 million tonnes of Canadian wheat and feed grain over the next five years.

Miss Carney and the Soviet Foreign Minister, Eduard A. Shevardnadze, renewed the Canada/USSR Trade Agreement for a further five years providing for the mutual exchange of most-favoured-nation treatment for goods traded between Canada and the USSR. As the Agreement was originally signed in 1956, this year marks its 30th anniversary. During that time, the Canada-USSR trade relationship has grown to the point where the Soviet Union is Canada's fourth largest export market.

Mr. Clark and Mr. Shevardnadze also renewed the Canada/USSR Long Term Agreement to Facilitate Economic, Industrial, Scientific and Technical Cooperation. This Agreement provides for a Mixed Economic Commission which meets, in principle, once a year alternately in Moscow or Ottawa. The 1986 series of meetings was held September 29 and 30 in Ottawa, reviewing Canada/USSR trade and economic relations over the past year and examining trade prospects for the coming year.

Mr. Clark and Miss Carney also announced that the Assistant Deputy Minister of External Affairs for Europe, Joseph S. Stanford, and the Soviet Ambassador to Canada, His Excellency Alexei A. Rodionov, exchanged Instruments of Ratification bringing into force the Canada/USSR Avoidance of Double Taxation Agreement. Signed on June 19, 1985, the Agreement is patterned on the Model Double Taxation Convention prepared by the Organization for Economic Cooperation and Development. In Canada, its provisions will generally apply to taxes on income earned in 1987 and beyond.