

loan funds made available to Latin America to a level of \$30,000,000 (Cdn.). As at Mar. 31, 1967, nine Canadian development loans totalling \$16,856,000 (Cdn.) have now been approved for financing of development projects in Latin America.

Although the volume of Canadian trade with Latin America is still a small part of total Canadian trade, it has more than trebled since the end of the Second World War. Venezuela, Cuba, Mexico and Argentina rank among the top 25 Canadian export markets. The Canadian Government has directly facilitated Canadian exports to Latin America and indirectly assisted Latin American economic development through the provision of long-term credits under the Export Credits Insurance Act; these credits total more than \$138,000,000 (Cdn.).

Subsection 7.—Canada and Europe, the Middle East, Africa and the Far East

Canada and Europe.—Canada's relations with Europe spring from the common cultural heritage that this country shares with Britain and France and also reflect its traditional links with other European countries from which Canada's population derives. These relations have been strengthened by Canada's substantial participation, on European soil, in the two World Wars. Canada's relations with Western Europe have since steadily developed under the impulse of major Canadian political, economic, defence and other interests in the area. Canada maintains close and extensive bilateral relations with Britain and France in particular, as well as with most other Western European countries, and has resident diplomatic missions in almost all of them. Traditionally, Britain and to a lesser extent several Western European countries have been among Canada's major partners in external trade and have been its chief source of immigrants. In the multilateral field, Canada is today, with a number of Western European countries, an active member of NATO and the OECD, and also of wider international associations such as GATT. Through its NATO membership in particular, Canada expresses its interest in the security of Western Europe and in any European settlement that may eventually emerge from the political détente there. As a result of its growing prosperity, stability and dynamism and of its progress toward some form of integration, Western Europe is able to play an increasingly significant role in the Western World and toward the under-developed countries. Accordingly, Western Europe tends to assume greater importance for Canada, not only for reasons of history and sentiment, but for the influence it wields, for the possibility of fruitful co-operation it offers in many fields and for the element of balance it can provide to Canada's external relations.

Largely as a result of large-scale sales of Canadian wheat and flour to the U.S.S.R. and the countries of Eastern Europe, Canada's relations with that area have received a marked impulse toward normalization since 1963. This has also been encouraged by the general relaxation of international tensions in Europe over the same period. As a result, the volume of trade and tourism, as well as of official and semi-official visitors in both directions, has greatly increased and agreements on many outstanding issues involving such matters as Canadian claims against a number of Eastern European countries have been settled or are the subject of negotiation. Contacts between Canada and the U.S.S.R. have been facilitated by improvement of communication through the establishment of direct shipping and airline services and by the extension of diplomatic relations from Canada's existing resident missions in Moscow, Prague, Warsaw and Belgrade to cover Hungary, Romania and Bulgaria through non-resident Ambassadors.

Canada and the Middle East.—Canada has participated actively in UN efforts to promote calm and stability and to alleviate want in the Middle East, which has been a focus of tension and conflict since the end of the Second World War. Canadian officers continue to serve with the United Nations Truce Supervision Organization located along Israel's borders with neighbouring Arab States. Canada was closely associated with the formation of the United Nations Emergency Force, and Canadian troops served with