

nine member states and to the Commission of the European Communities in October 1974, February, March and May 1975.

Canada has a substantial interest in developing better relations with Eastern Europe. Canada and the Eastern European states have in recent years increased trade, scientific and technological co-operation in cultural exchanges. Canada has participated in the Conference on Security and Cooperation in Europe, which opened in Helsinki in July 1973.

A new era in Canadian-Soviet relations, based on a more candid and friendly atmosphere and on the principle of mutual benefit, was opened in 1971 with the Protocol on Consultations, the Agreement on Co-operation in the Industrial Application of Science and Technology, and the General Exchanges Agreement, which provide for regular and long-term co-operation between Canada and the USSR. At the same time, Canada has been pursuing improved and mutually beneficial relations with the other Eastern European countries. At present, Canada has resident diplomatic missions in Moscow, Prague, Warsaw, Belgrade and Budapest and maintains diplomatic relations with Romania and Bulgaria through non-resident ambassadors.

Canada and the Middle East. Canada has consistently attempted to follow a policy of balance and objectivity as between the parties to the Arab-Israeli dispute. Over the years, Canada has supported the efforts of the UN Relief and Works Agency to alleviate the plight of Palestine refugees and has contributed to the maintenance of the cease-fire that followed the war of October 1973 by providing a contingent of 1,100 troops to serve with UN peacekeeping forces.

Many of the major oil-exporting countries of the Middle East have put their increased revenues to use by expanding their developmental projects. In addition, some have sought to employ a part of their surpluses in assisting other countries that lack such valuable resources. These countries are becoming more aware of Canada's potential as a reliable supplier of many of the traditional and sophisticated goods and services they require. In 1974 Canadian exports to the Middle East increased by some 50%. The value of Canada's imports from this region rose by about 250%, owing mainly to the increase in the price of oil.

Canada and Africa. Direct relations were first established with former British colonies in Africa as they became independent members of the Commonwealth. Increasing contacts and diplomatic relations with the newly independent French-speaking African states soon followed as a result of the increasing emphasis the Canadian government placed on French culture in this country as well as the important role played by francophone African countries in their continental affairs. Canada now maintains diplomatic relations with almost all the independent African states and through resident Canadian missions in 15 countries. The development of bilateral diplomatic and commercial relations has been accompanied by a significant and growing program of Canadian aid to Africa. This program directed more than \$113 million in aid to the African continent in 1972-73, \$131 million in 1973-74 and \$208 million in 1974-75.

Canada and the Asian and Pacific Region. For many years Canada has had important links with a number of countries in Asia. During the past decade Canadians have become increasingly aware of their position as a Pacific as well as an Atlantic nation. With the development of modern transportation and communications, the Pacific Ocean has ceased to be a barrier and, because of the expanding interest in Asia and its importance, contacts between Canadians and the peoples of Asia and the Pacific are growing rapidly in number and variety.

Although some of these contacts have developed as a result of historic and traditional ties, as in the case of Australia and New Zealand, many new contacts have been economic in character. Trade has increased and assistance for development has been provided. The importance of Asia as a trading area is evident from the emergence of Japan by 1973 as Canada's second largest bilateral trading partner, immediately behind the US, with two-way trade in 1974 amounting to more than \$3.6 billion. The potential for further trade in the region has also been recognized by trade fairs in the People's Republic of China, by the conclusion of a trade agreement with that country in October 1973 and by agreements on bilateral trading preferences with New Zealand and Australia in 1973. An increasing number of Canadian trade missions, both official and private, also visit the area.

Canada's general policy of diversification of its international relationships is focused on Japan and reflected in the growing number of meetings between Canadian Ministers and