

as the multilateral trade negotiations and the Law of the Sea Conference in Geneva were areas which brought economic concerns into sharper focus. Through meetings of joint economic commissions and exchanges of industrial missions, Canada continues to devote priority to greater trade and investment between Canada and Western Europe.

Canada and the Eastern European states have in recent years increased trade, scientific and technological co-operation as well as cultural exchanges. Canada participated with the 35 signatory states of the Helsinki Final Act in the follow-up meeting of the conference on co-operation and security in Europe, held in Belgrade, Yugoslavia from October 4, 1977 to March 9, 1978.

In January 1978 a Canada-USSR mixed commission met in Ottawa to draw up a new program of scientific, academic and cultural exchanges and co-operation for 1978-79. This is the fourth program of exchanges under the terms of a Canada-USSR general exchanges agreement since it was signed in Ottawa in 1971. With other Eastern European countries Canada has worked for mutually beneficial bilateral relations through resident diplomatic missions in Prague, Warsaw, Belgrade, Budapest and Bucharest and through non-resident ambassadors accredited to Bulgaria and the German Democratic Republic.

### **Canada and the Middle East**

20.3.5

Canada has consistently attempted to follow a policy of balance and objectivity 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 ceasefire that followed the war of October 1973 by providing the largest national contingent to the United Nations 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 not only of traditional but also of more sophisticated goods and services. In 1978 Canadian exports to the Middle East and North Africa were valued at \$870 million, while the value of Canada's imports from this region, mainly of oil, reached \$1,615 million.

### **Canada and Africa**

20.3.6

Direct relations were 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-language African states soon followed. Canada now maintains diplomatic relations with almost all the independent African states and through resident Canadian missions in 14 countries. The development of diplomatic and commercial relations has been accompanied by a significant and growing program of Canadian development assistance to Africa. This program directed approximately \$210 million in assistance to the African continent in 1977-78 and approximately the same amount in 1978-79. Canadian exports to Africa were valued at \$258 million during 1978-79.

### **Canada and the Asian and Pacific Region**

20.3.7

Japan is Canada's second largest national trading partner; a total of \$5.3 billion in bilateral trade was achieved in 1978. Since 1974 conscious and vigorous efforts have been made to give greater depth and texture to our overall relationship. The framework for economic co-operation and the cultural agreement, both signed in 1976, have provided two important mechanisms through which these efforts have been channelled. The frequency and quality of contacts across the broad front of political, economic, cultural, academic and media relations have intensified to the advantage of both nations.

China's modernization plans have provided new opportunities for the development of Canada-China relations. In 1978 trade with China increased by 30% over 1977 to approximately \$600 million; prospects for further growth are considered good on the basis of continuing wheat sales supplemented by industrial raw materials and manufactured goods. Cultural and scientific exchanges with China continue apace, and a