

In this light, the West Indies contrasted unfavourably the price which Canada pays for their sugar to the higher prices paid by the United Kingdom and the United States.

On the Canadian side, I said frankly that there was simply no chance of our entering into a bilateral agreement based on a cost-plus price for sugar. I pointed out the difficulties for Canada of attempting to introduce state-trading machinery, which would be involved under such a bilateral agreement, and described our policy of working towards a sugar price remunerative to producers and equitable for consumers, under the International Sugar Agreement, which was concluded in 1969, with the active participation of countries like Canada. Since the introduction of the International Sugar Agreement in 1969, the world free price for sugar has more than doubled, and certainly my hope would be that the ISA will continue to operate as a basic mechanism under which we shall import our sugar requirements.

Generally, in the trade field the problem which seemed to concern most of the countries of the Commonwealth Caribbean was the so-called unfavourable balance of trade. In this they were not so much thinking of the balance-of-payments question but rather the way the cost of their imports had been rising faster than the price of their exports. In Jamaica, for example, codfish imported from Canada forms a part of the staple diet of the ordinary person, and, while they could understand the reason for the rising prices of codfish imports, they were obviously concerned at the repercussions. The countries of the area want to pay their own way by increasing their export earnings, both through agricultural items and manufactured goods. Within the framework of the Caribbean Free Trade Area, CARIFTA, they are trying to work out a sounder basis for trade patterns among themselves and with the outside world.

I may say that I note the considerable reference made to those suggestions in the report of the Senate Committee as to the proposed marketing arrangements that are underlined in that report. The potential of the Canadian market is very much in their minds. A large number of questions were put to me as to how they could increase the flow of fruit and vegetables, for example, to Canada; and on the side of manufactures they are looking to Canada not to put barriers in their way.

The question of limits on the importation of shirts from Trinidad and Tobago was causing concern in the press when I was there, as well obviously with the Government and the people. I was able to indicate our willingness to look flexibly at the question of a possible raising of the quota. This was discussed recently when a team of their officials came to Ottawa to consider the matter further.

With respect to Canadian assistance, I found a great appreciation of the considerable volume of aid Canada was making available, which is the highest *per capita* amount we give to any area of the world. The countries of the Commonwealth Caribbean are, however, impatient, and naturally so, to get on with their development as rapidly as possible. Their appreciation for Canadian aid was, therefore, often coupled with criticism, generally helpful criticism, about what they regarded as some of the limitations of our program. The Senate Committee report mentions some of these -- the tying of assistance to Canadian goods and services, the limitations on the financing