

peace and freedom. The Prime Minister expressed Canadian understanding and support for Germany in every peaceful effort to reunite its people through the exercise of their right of self-determination in freedom. Both leaders agreed that a solution of the German problem would open up real possibilities for an improvement in international relations.

The two governments were in full agreement on the continuing need for a strong and cohesive Atlantic Alliance which continues to be indispensable in the defence of the West. Both leaders recognized the necessity of seeking to encourage peaceful relations and of working toward the relaxation of international tensions and universal and controlled disarmament. They stressed the importance of the trans-Atlantic nature of the Alliance, and agreed that the twin dangers of European and North American isolation must be avoided.

Both governments reaffirmed their support for a greater liberalization of world trade, and expressed their determination to contribute effectively to this goal. The Ministers were convinced that success of the current Kennedy round of tariff negotiations in the GATT could make a great contribution to this objective. They agreed that it was also important to make suitable arrangements for agricultural products in the Kennedy round.

The Chancellor and the Prime Minister emphasized the importance of assisting the developing countries to raise their standards of living, and recalled the substantial contribution which both Canada and Germany were making. In this connection the Prime Minister recalled the recent substantial increase in the Canadian aid program. Both leaders expressed the hope that the United Nations Conference on Trade and Development would devise effective and reliable solutions to the trade problems faced by the developing countries.

The Chancellor and the Prime Minister reviewed the extensive bilateral relations which have developed between Canada and Germany in recent years. They expressed satisfaction at the excellent state of these relations, and were agreed that the present mutually beneficial co-operation should be extended in every possible way.