

for goodness' sakes get together and let's have a talk. So, I've been...passing on this message wherever I can.

Q. Is there a danger that Canada will get caught in a squeeze?

A. It could be, and that's one of the reasons--in order to illustrate my point, the reason that we are taking an active role in promoting good trade relations between Europe and America and trying to avoid a trade war is not only because that's good for the world, but it's because Canadians have a very special interest in it, since we would be the country most likely to get caught in the squeeze.

Q. How about a better understanding between Canada and Eastern Europe--the Soviet Union, on that same basis of better trade and better relations?

A. Yes, this is proceeding apace. The trade with Eastern Europe is building up. We now have trade agreements with practically all the Eastern European countries. I think our trade is probably developing most quickly with Yugoslavia, which is an interesting case because that's a country that is non-aligned but is a Communist country of a particular kind. The Prime Minister is going to the Soviet Union--the first time that a Prime Minister has gone to the Soviet Union from Canada. I was in Yugoslavia and Romania--made the first trip as a Canadian Foreign Minister to Romania. We're building up our trade with Poland and Czechoslovakia. These relations would have developed, of course, much more rapidly if it hadn't been for the Soviet invasion of Czechoslovakia.

Q. Right.

A. Along with the Poles and others.

Q. We've lost the chance of selling the Romanians an atomic reactor, haven't we?

A. I'm not sure. They have postponed the decision.

Q. One had the feeling there that perhaps the Soviets had applied some pressure.

A. Maybe. Maybe, but the Romanians have said, well, this is just a postponement, and we're still hoping that we can.

Q. Mr. Sharp, why do we not have Embassies in Bulgaria and Romania, although these two countries have representations in Ottawa?

A. Well, I've been fighting for a little more money for my Department. And we have gone through a period of very serious curtailment of Government expenditures, and since the Department of External Affairs couldn't escape, and