

flows, development assistance and the transfer of technology; and we recognize that, while governments as such can create conditions conducive to trade, investment and the like, ultimately the real content of our economic relations is the product of decisions and actions by individuals and organizations within our societies.

By mutual agreement, then, the intent of this new arrangement is to establish a flexible instrument, one that can meet changing needs in the future and not simply define in legalistic fashion the state of our relations at this moment. Moreover, it is an expression of political will and not just a contract between governments.

Indeed in this respect we are seizing this occasion to exchange letters that amplify this political will in a number of respects. Specifically, for example, we are making [it] clear that the Canadian Government stands ready to consider appropriate amendments to the agreement in the event that its terms require adjustment to take account of any new internationally-accepted trading arrangements for developing countries.

We have also undertaken that, where feasible of course, we shall consult with CARICOM in advance of any changes in existing Canadian tariff margins of preference affecting CARICOM interests. Our partners in the agreement have undertaken to do likewise with us in respect of changes in their trading systems. The exchange of letters also makes [it] clear that our co-operation with CARICOM on a regional basis — utilizing, for example, the facilities of the Caribbean Development Bank — need not detract from the totality of Canadian bilateral assistance to the region.

I said that we take a broad view of this new agreement. It is precisely because of this that I am accompanied today by members of Canada's Parliament, both Government and Opposition parties. This is a mark of the broad significance we attach to relations with CARICOM states.

The agreement, however, is much more than a broad and general framework for the future evolution of Canada-CARICOM ties. It breaks new ground in a number of specific areas, particularly with respect to industrial co-operation. This is a facet of international economic relations of overriding importance in the world today, although the conception that underlies it is relatively new. Indeed, Prime Minister Trudeau, at the Commonwealth heads-of-government meeting in 1975 here in the Caribbean, proposed — and other Commonwealth leaders agreed — that a special study of industrial co-operation be undertaken to encourage the development among Commonwealth members of this mechanism of particular relevance to the developing world. In the same spirit, the agreement we are signing today has a separate protocol on industrial co-operation that we hope will lead quickly to increased transfers to CARICOM states of human and other resources so necessary to continuing progress in the development and diversification of your economies and of benefit in strengthening and improving our own economy.

Our first step, as the protocol indicates, is for governments to identify those sectors in which investment and technological transfers are desired and necessary from your point of view and where corresponding Canadian capability exists. Ultimately, though,

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