Apart from the key issues of independence and economic autonomy the Baltic States face three basic problems: the need for economic modernization and development; the threat from environmental pollution; and the need to preserve their national identities. Canada can help with some, perhaps all, of these issues.

Our focus could first be commercial and economic, whether in the area of management training, joint ventures, or purely commercial transactions. Some of you are already involved in such activities and my Department is ready to help you.

The environment may be another area where our expertise could be useful. We do not have established programs of environmental cooperation with the Baltic States. But Canada would be prepared to share the experience we have developed in an area so crucial to the quality of life.

Canadians of Baltic origins are proud to reinforce the sense of national identity of the peoples of the Baltic States. You have shown that they and their cause are not forgotten. You have maintained contacts to the limit of the possible. Now those contacts will be permitted to grow. You should take advantage of the opportunity. Whether the contacts take the form of family visits, now less difficult to arrange, or whether they are sports events, cultural, media or academic exchanges and meetings, you will strengthen the resolve and confidence of peoples whose fate concerns us all.

This Government has been paying increasing attention to the Baltic States. More officials from my Department and others will travel to the region to ensure that we have the best possible understanding of developments there. We want to ensure an open two-way flow of information with you, too, for as I said, you represent an important asset in the formation of new Canadian foreign policy responses to the changing Baltic scene. My Parliamentary Secretary has been meeting with you for instance, recently addressing the Annual Convention of Baltic Veterans League in March, and the Baltic Womens Federation in April. We will not, however, jeopardize our policy of non-recognition <u>de jure</u>. Our role there will be to enhance the potential for contact and communication between the people of Canada and the people of the Baltic States.

Joint ventures can greatly assist the development of the market ethic, a crucial element in achieving economic progress under perestroika. Some Canadians have been quick to see the potential of such ventures and more will do so in the near future. There are already 10 Canadian-Soviet joint ventures set up since 1988 and another six are close to