

all participants. Cost effectiveness also means we should avoid unnecessary bureaucracy.

We should construct a regime which is as flexible as possible in meeting the varying needs and requirements of the signatory states.

Equity allows all participants to benefit from the regime. No doubt there are differences as to what equity means and how it can be achieved.

NATO countries have put forward their conception of Open Skies in their Basic Elements paper. We have just had tabled a paper from Warsaw Treaty countries. We have heard, today and yesterday, from the various foreign ministers of both Alliances. Mr. Shevardnadze has introduced the notion of equality, which I take to mean equitable access to benefits. This is a concern that we need to take seriously. In general, there appears to be a fair amount of common ground in our approaches. It is our task now, as ministers, to identify that common ground in a communique, so that this negotiation will advance quickly, so that Open Skies can become a functioning element of East-West confidence building as soon as possible.

I am greatly encouraged by the pace with which events have progressed so far. It has been less than a year since President Bush re-launched Open Skies in his speech in Texas, yet here we are ready to commence detailed negotiations on a treaty text with the evident desire to sign an agreement a few months hence. Those of you familiar with the history of arms control negotiations will see this as a record.

I am encouraged also by the rapidity with which Canada's trial overflight of Hungary was put into play. I want to emphasize the outstanding co-operation we received from our Hungarian and our Czech colleagues in conducting the trial. The results of our joint experiment were discussed in detail at the Budapest preparatory meetings for this conference. I believe this has cleared away a lot of the technical questions that might otherwise hamper this negotiation. This test of the nuts and bolts of Open Skies demonstrated that if our will to co-operate remains strong, the concept can be made to work.

As we go into our closed session, I believe it is useful to outline the key issues with which we will be dealing:

-- whether aircraft will be nationally or collectively operated;

-- determining the types of sensors to be allowed onboard Open Skies aircraft;