

work force by the year 2000. One important European car manufacturer believes that industrial robots will slash labour requirements by 90 per cent over the next ten years.

There's a risk that the international structural adjustment process which has favoured the movement of labour-intensive and other industries from the developed to the developing world may be reversed. For example, certain manufacturing processes may no longer be able to be performed more economically in developing countries. This promise of long-term structural adjustment has provided a measure of hope for the South. The widespread use of the new technologies in the North may give tremendous advantages which the South will realize only in limited ways. The danger is that technology, if present trends continue, may serve to widen rather than narrow the gap between developed and developing countries. On the other hand, these same technologies offer great promise for development in the South if applied in ways which truly benefit development. The irony is that technology offers a potential escape from the wheel of poverty but, at the same time, it may threaten the process of global structural adjustment and a more equitable international division of labour. In my view, a central question to be tackled in the North-South context will be how and under what conditions technology will be harnessed to assist developing countries.

I wanted to make those general – perhaps slightly exaggerated remarks before addressing myself to the central point of your agenda. I'd like to turn now to examine some of Canada's priorities in North-South terms and also share with you some of my views on the North-South agenda as it is emerging.

North-South relations

North-South relations encompass a range of activities. They centre above all on questions related to transfers – to interchanges of goods, people, services, capital, ideas, technology, and power. How and under what terms these transfers should or could take place is the central issue of North-South relations.

As I mentioned earlier, growing linkages between North and South have resulted in interdependencies. Increasingly, these transfers are not only in one direction. The imbalances in North-South relations are no longer quite so acute. I think there has been a change in perception in this regard on the part of developed countries towards the reality of global interdependence which is of great significance. The recent Brandt report has helped in this regard and I think that this change in perception in itself offers a source of hope.

It is clear that large parts of the South will require direct assistance in development for a long time to come, particularly the poorest. They are least able to benefit from the application of new technologies and from possible changes in the international institutions and the trade and payments frameworks which could result from North-South negotiations. The structure of their economies is such that their most pressing needs are very different from those of the more-advanced developing countries.

Bilateral aid programs

With regard to Canada's development assistance efforts, I see Canada's aid programs continuing to focus on the poorest countries. Our contribution will increasingly be based on our own special areas of expertise, related to what we can best contribute. Bilateral aid programs will concentrate on three priority sectors: agriculture, energy