As our Prime Minister has stated, Canada's priorities in the area of outer space as in other areas of arms control and disarmament were judged to lie in the investigation of outer space verification technology. It is in this area that we in Canada have devoted considerable resources through the efforts of the Verification Research Unit of the Department of External Affairs.

One example of this, which you have already discussed during the course of this workshop, is the Paxsat concept, which explores the feasibility of the application of space-based civilian remote sensing techniques to verifying potential arms control agreements covering outer space or conventional forces in europe. Our concern here is to explore the technical requirements that might exist for verifying multilateral agreements from space and thereby make a distinctive Canadian contribution to international consideration of the outer space issue.

Canada's contribution in this area forms part of our practical contribution to the international arms control process. This practical contribution was outlined by the Secretary of State for External Affairs in January 1986 and focuses on three areas:

- encouraging compliance with existing treaties;
- 2) developing verification mechanisms; and
- 3) building confidence between east and west.

In our practical work we have sought to make our contribution to arms control and disarmament where we can be most effective, bearing in mind that we are a middle power, we are not a nuclear weapons state, and that it is a reality of our time that the USA and the USSR will unavoidably have a lead role in determining key elements of any international framework to preserve global security.

But these issues are too fundamental to be the exclusive domain of the superpowers. Canada is geographically situated between the two most powerful countries in the world.

The potentially catastrophic consequences for our nation of a nuclear exchange between these countries has an over-riding influence on our thinking in dealing with these issues.

Of course, all of us here this evening recognize that we are not discussing these issues in a vacuum. We are examining the question of preventing an arms race in outer space at a critical time for the international community.

Much has happened since the watershed events at Reykjavik, events that have opened up entirely new vistas for the international security environment.