

The development of Canadian exports has reflected the profound economic changes taking place. Canadian exports to the area amounted to \$100 million in 1966. This is the first time this level has ever been achieved. We registered gains last year in exports of many products, including meats, canned sardines and herring, tobacco, machinery, steel products, electrical equipment, mining machinery and pharmaceuticals.

Canada has an important share of the West Indies import markets, averaging some 10 per cent in 1966. Our share of these markets had been declining in recent years. However, this trend has now been halted. We are now doing much better there and I am confident that we can continue to do so.

It is also in our interest to see the West Indies do well in their exports to Canada. We are a major market for their goods. Canada takes one-third of Guyana's exports, one-fifth of Jamaica's and one-tenth of Barbados's. The bulk of this is accounted for by sugar, bauxite and alumina. However, there has been a substantial diversification in recent years into newer products such as fruit juices, cocoa, essential oils, liquors, and even manufactured products such as clothing and sporting goods.

The further strengthening and development of these ties is one of our top priorities in the trade field - a priority which I know enjoys the broad support of all Canadians. The conference of prime ministers in Ottawa last July made a major contribution to this objective.

We are looking to an updating of the 1925 trade agreement to facilitate expansion of trade in both directions. We are looking to increasing Canadian co-operation and participation in the economic development of the Commonwealth Caribbean. We have substantially increased our aid programme to the West Indies. On a per capita basis, Canada's aid to these countries now exceeds that to any other area. There is already a good deal of private Canadian investment in the West Indies and I am confident that this will continue to grow in the future. I don't believe they have any undue objections to foreign capital.

We agreed to carry the work of the conference forward by examining more fully a number of specific aspects of our trade and economic relations. In this connection a joint study is under way with respect to shipping. If trade between Canada and the Commonwealth Caribbean is to grow and prosper, it is essential that we have adequate shipping services and competitive rates.

On the export side, we need to come to grips with the problems posed for Canadian exporters in adjusting to the industrial development programmes and changing import needs of the Commonwealth Caribbean. With respect to Canadian imports from the region, special attention is being given to the possibilities of reviving the banana trade. The Canadian import community seems receptive to the idea of obtaining some of Canada's import requirements of bananas from the Commonwealth Caribbean. It is clear, however, that the Caribbean countries themselves will need to be able to assure a continuing supply on a competitive basis both price-wise and quality-wise.