

inflation, which is no small thing, but we are doing it at the cost of extraordinarily and unacceptably high unemployment, and that is my concern," said Mr. Trudeau. He added that "there must be a better way" to beat inflation without curbing economic growth.

In the final communiqué, the seven heads of state and government and the representative of the European communities agreed to:

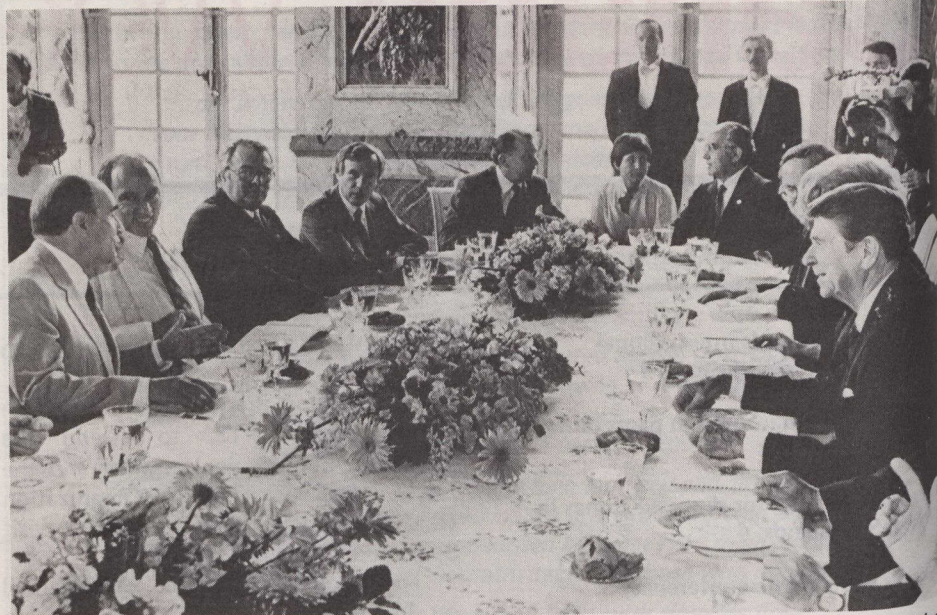
- increase growth and employment by continuing to fight inflation;
- strengthen the multilateral trading system, resist protectionist pressures, and open up their markets;
- pursue a prudent and diversified approach to economic relations with the Soviet Union and Eastern Europe;
- continue efforts to economize on energy and to promote alternative energy sources, including nuclear energy and coal;
- work towards a deepened and constructive relationship with developing countries through global negotiations and agencies such as the World Bank;
- encourage scientific and technological co-operation among countries; and
- accept a joint responsibility to work for greater stability in the world monetary system through individual monetary policies and through the International Monetary Fund.

Visit a first by Prime Minister

After the Versailles Summit, Prime Minister Trudeau visited Spain to discuss bilateral and multilateral issues with



Prime Minister Trudeau (right) and British Prime Minister Margaret Thatcher walk through gardens at Versailles.



Leaders attend a dinner at Versailles Summit: (left to right) French President François Mitterrand, Canadian Prime Minister Pierre Trudeau, French Premier Pierre Mauroy, Canadian Secretary of State for External Affairs Mark MacGuigan, British Foreign Secretary Francis Pym, an unidentified interpreter, Italian Foreign Minister Emilio Colombo, Belgian Premier Wilfried Martens, British Prime Minister Margaret Thatcher and U.S. President Ronald Reagan.

Prime Minister Leopoldo Calvo Sotelo. Mr. Trudeau is the first Canadian prime minister to visit Spain.

Referring to Spain's recent membership in NATO, Prime Minister Trudeau said at a dinner in his honour that "Spain will add not only to the over-all deterrent strength of the (NATO) alliance but also will provide a major strengthening of its southern flank".

Canada has sought to support the rapid democratization of Spanish institutions, initiated following the accession of King Juan Carlos to the throne in November 1975. Since that time there have been a number of high level visits between both countries and King Juan Carlos has accepted an invitation to visit Canada, perhaps next year.

In the area of trade, Canada exported \$196 million worth of goods to Spain last year consisting primarily of wood pulp, barley and wheat, asbestos, iron and steel, organic chemicals, copper and fish. Spain's exports to Canada during the same period amounted to \$235 million, primarily in iron and steel products, transportation equipment, coffee, footwear, fruits and fruit products.

Potential areas for growth in Canadian exports to Spain include mining and other machinery; telecommunications and electronic equipment; transportation equipment and energy related equipment.

Direct investment in Spain by Can-

adian companies was estimated at \$160 million in 1980 in industries such as aluminum smelting, mining, paper, wine production, distilling, processed food products and petroleum exploration and production. Spanish investment in Canada was estimated at \$75 million in 1980 and consists of participation of Spanish state corporations in newsprint production and mineral exploration.

Arms control talks needed

Following his trip to Spain, Prime Minister Trudeau attended the NATO Summit in Bonn where he acted as honorary president of the meeting.

In his speech to the opening ceremony of the North Atlantic Council meeting, Mr. Trudeau told representatives from the 16 member nations to "work for a peaceful international order based on a high degree of mutual tolerance of differences. But until then we still need our security shield. The strength of the Warsaw Pact is great and growing, and the logic of our own security would seem to demand that the strength of our alliance should also be great and growing. Unfortunately, over the past years Soviet policies have made it imperative, on our side, to match Soviet military build-up. It is a sad fact that this decision appears to have been fundamentally in persuading Soviets to seriously resume discussions on arms limitations".

The Canadian Prime Minister said it