

Both you and we, have, throughout our modern history, faced the problem of developing, with inadequate financial resources, relatively small domestic markets and an often hostile nature, enormous territory enclosing an often unfathomable potential. To do this, we have responded in a similar manner. We both have developed or acquired the organization, the technology and the infrastructure necessary to open up our vast virgin territories and to realize their potential in hydro-electric power, in raw materials and in agriculture.

Because of the similarity of our patterns of economic development, it is, to my mind, no accident that we should have become closely involved economically over the last 80 years, that so many Canadian companies such as Brascan, Massey-Ferguson, Alcan, Moore Business Forms, Noranda, MacMillan Bloedel, Dominion Engineering Works and Royal Bank of Canada, should have become so much a part of Brazilian life. In each case, the organization skills and the technology that had been worked out for the development of our economy could be directly applied to the development of yours.

Today, our economic relations are substantial. Canada has more money invested in Brazil than in any other country save the United States. Canadian investments in Brazil amount to around one billion dollars. Canadian banks have lent a further billion. Canada is Brazil's fifth largest source of capital; within the Western hemisphere we each are one of the other's most important trading partners. Our trade is roughly in balance with a slight surplus for us, if we do not include shipping services, but a slight edge for you, if we do.

Our trade is in rough balance in more than one way, for we exchange both industrial goods and primary products. We supply you with wheat, potash, newsprint, cattle, aluminium ingots, aircraft engines, motor vehicle parts, hydroelectric turbines, and other industrial machinery. By the way, your magnificent Bandeirante aeroplane, in which I had the pleasure of flying this morning from Virocopos Airport to Congonhas Airport, is powered with Canadian Pratt and Whitney engines. You supply us with motor vehicle engines, by far the leading item among your exports, as well as green coffee, iron ore, orange juice, footwear and clothing. In essence, in its balance of value and structure, our commerce is a trade between equals.

In order to promote closer economic relations between Canada and Brazil our objective should be, on the one hand, to encourage cooperation between Canadian and