

I might mention here that the Europeans are open for business. They understand that Canada has reached the stage where we wish also to export semi-finished or fully-finished material. They fully understand that classical nineteenth-century deals involving the mere export of unprocessed raw materials are behind us. This attitude is not peculiar to Canada, and the Communities have, on occasion, demonstrated their ability to react flexibly to the demands of other exporters. It is inconceivable, therefore, that the very Communities that have, for example, granted access to their markets, on more generous terms, to a growing list of industrialized products from the countries with which they are associated, the ACP countries, through the Yaoundé and the Lomé Agreements, would be incapable of contemplating, on a case-by-case basis, arrangements with Canada that would meet on both sides the kinds of preoccupation peculiar to our relations.

I now come to the second question: How, in effect, do we propose to implement the agreement between Canada and the Communities?

In a way, it might be easy to answer this question by merely saying that the agreement provides the opportunities, that the governmental entities will do what they can in sectors that they control and that it will be up to businessmen to do their normal job and to undertake an exploration of prospects, and even to take the usual risks. If and when difficulties arise, policy-makers can then see what they can do. It may well be that a good deal of what may happen under the agreement will happen precisely in this fashion, but that is not the whole story.

First, it has to be seen that we and the Communities, in appropriate forums, can do a lot together and with other partners, of course, that will liberalize trade, improve the functioning of the international monetary system and thus create conditions that will have a direct stimulating effect on our bilateral relations. It is also clear that, at this stage in the development of the Communities, national entities within the Communities remain the controlling element in many areas; there is no reason why, at the bilateral level, we should continue to do all we can to expand our economic, financial and industrial relations. For instance, everything that we have been doing in the past to promote trade and investment with Britain, with France and Germany, with Italy, can be continued and expanded.

As I pointed out before, in areas where the Communities have jurisdiction, though the agreement we can deal with them and do what we can to promote business. We can try to anticipate where