

I note that our two-way trade virtually doubled during the past five years, reaching \$870 million in 1990. Canadian exports to Spain enjoyed solid growth due to significant sales of construction and communications equipment, Canadair water bombers, purebred cattle, fisheries and food products, and medical and health equipment. On the other hand, the strong Spanish peseta has had an adverse effect on Spain's exports to Canada. Canadian imports from Spain include footwear, fruit, vegetables, wine, motor vehicle parts, petroleum products and machined fittings. Unfortunately, despite strong efforts by the Spanish Institute of Foreign Trade, Spain's total exports to Canada declined from a record high in 1988 of over \$700 million to just under \$500 million last year. But whatever its ups and downs, our bilateral trade is nothing like what it could or should be.

With excellent growth prospects in both of our countries, we have a trading relationship that can only grow and that is relatively free of irritants. Spain offers a dynamic and growing economy, a strategic location, a rapidly modernizing transportation and telecommunications infrastructure and an efficient workforce eager to capitalize on Spain's special place in Europe. These factors, plus Spain's integration into the European "single market," are attracting Canadian traders and investors to view Spain as a southern gateway to the new Europe and as a promising country in which to do business.

Last year, delegations of senior Spanish executives visited Canada to explore joint venture opportunities in the environmental field and in television production and transmission. These are examples of recent efforts to increase economic co-operation. As a further step in that direction and in order to continue strengthening our relations, I have brought senior executives from seven Canadian companies and the Canadian Manufacturers' Association with me. They offer highly competitive products and services in aerospace and telecommunications -- sectors in which these firms are world leaders. I am certain there are many other wonderful opportunities to explore; in short, I believe that the potential for us to do business together is greater than at any time in our history.

I am not going to dwell on the one dark cloud in our otherwise bright relationship. But I would be remiss if I did not mention that the major problem Canada and Spain must tackle together is fisheries conservation in the Northwest Atlantic. This fishery has provided a livelihood and a way of life for communities on both sides of the Atlantic for 400 years. But modern fishing technology and overfishing, notably on Canada's Grand Banks by fleets from Spain and Portugal, have led to severe depletion of this vital resource. We have cut back many of our own quotas by more than half since 1985 in order to build up stocks. As a