

large sums deposited in Canadian banks and invested in Canadian securities. The indications are that we will need access to vast amounts of capital to carry out projects contemplated in our own country in this decade. A source of funds for Canada in addition to our traditional sources is presumably important for us and might be further developed.

Peoples of the Middle East and North Africa wish not only to benefit from our skills, but also to acquire those skills themselves. This sometimes involves establishing vocational and technical schools within the country with the help of outside expertise. Sometimes it involves students going abroad to study. Canadians can help meet both needs. We have a broad experience in planning and developing schools and this is increasingly recognized in the region. For students seeking training abroad our universities and institutes of technology are respected. It is my impression that a number of countries in the region would like to send more students to Canadian institutions at their own expense. In expanding our effort here we could help countries acquire trained manpower required for their development and modernization. We also could impart to these students, many of whom will in future hold responsible positions in their country, an awareness of Canada and things Canadian which over the years could strengthen our bilateral relations with the region.

Such a program for foreign students cannot be undertaken by the federal government alone. It must rather be a joint effort supported by the provinces, who have responsibility for education. I have discussed such a program with a number of provincial ministers. All agreed that it could well be beneficial to Canada as well as useful to the students and countries concerned. At the same time they stressed the necessity of full provincial participation in the planning and operating of such a program to avoid serious embarrassments, such as an effort to place more foreign students in faculties like medicine which do not now have the capacity to accept all high quality Canadian applicants. I understand that federal and provincial officials are currently developing a policy for cooperation on what programs could be undertaken and methods of implementation.

To foster and enhance economic and technological links with the region we must put our minds to it and develop a comprehensive strategy. We are competing with other OECD countries which are aggressive and experienced and anxious to earn foreign exchange to pay for the oil they must import. The financing terms we are offering the less affluent countries of the area should be studied to determine whether changes in our practices could enable us to compete successfully. Of basic importance, however, is the recognition that in Arab countries generally the role of government in the economy is more extensive than