

Routine Proceedings

Some Hon. Members: Hear, hear!

Mr. Mulroney: The Soviets strongly endorse plans for co-operation in the Arctic and our intention to work with the Soviet Union and other countries to ensure a reduction in environmental pollutants that threaten the Arctic ecosystem, above all those that imperil the food chain of the Arctic peoples.

In addition to the 14 agreements, we each undertook to expand government representation in each other's countries, as a result of which the Government of Canada will open a consulate general in Kiev in the Ukraine.

Some Hon. Members: Hear, hear!

Mr. Mulroney: The Soviets intend to open a new office in Toronto and discussions will start shortly on our respective plans for those offices. We hope to put our office into operation before long.

I might point out, Mr. Speaker, that the establishment of a new office in Kiev will, I think, go a long way in responding to an increasingly obvious need for Canada to be represented in the capital of the Ukraine.

Nearly one million Canadians trace their roots back to the Ukraine. Many of them still have family there. At present, 35 per cent of the visa applicants at our embassy in Moscow come from the Ukraine. With more relaxed travel restrictions in the Soviet Union, we can expect a substantial increase in human contacts between Canada and the Ukraine.

Moreover, an office of this dimension in Kiev will allow us to tap the commercial and trade potential of the Ukraine, a market of some 52 million people whose economic needs can be responded to by the transfer of Canadian technology, joint venture initiatives and direct equity participation, to say nothing of the transfer of skills, knowledge, and know-how in the area of agriculture where, as the leaders of the Ukraine have pointed out to us, the need and their need is greatest and Canadian expertise is acknowledged to be world class.

The Canadian private sector is also taking an unprecedented interest in the Soviet economy. The Canadian government has been strongly supportive of the private sector as it seeks new economic opportunities in the Soviet Union and new trade and investment niches for Canada.

Our two-way trade has for too long lacked diversification and dynamism and I was delighted to see the enthusiasm and resolve of Canadian business people in Moscow surveying new opportunities and anticipating new challenges, none more enthusiastically than distinguished businessmen like Frank Stronach, Albert Reichmann, representatives from Lavalin, and other leading firms from British Columbia to Newfoundland which was represented by Vic Young of Fishery Products International.

A broad commercial relationship with the Soviet Union will help us not only to diversify our exports, now largely dominated by grain sales, but also to provide the products and services and technology that will help to support the goals of *perestroika* by satisfying some of the rising expectations this policy has triggered among the Soviet people.

That is the greatest challenge, I believe, confronting Mr. Gorbachev today, the problem of the rising expectations generated by the enthusiasm with which his reforms were introduced and received by the people. A lot of progress is expected the next day and yesterday in the Soviet Union and he is incapable of delivering as rapidly as he would like on all of these expectations.

That is why it is so important for countries like Canada to come forward in tangible ways with trade missions that sign deals that create new wealth and new opportunities in order to provide him with the support.

I mention, parenthetically, Mr. Speaker, George Conon, the chief executive officer of McDonald's who has been working to open the largest McDonald's in the world in the Soviet Union. He placed an ad in the Moscow newspapers for 500 people he wanted to have work in his new restaurant which the Soviet Union believes and hopes can expand to 15 or 20 across the country in short order. However, in the Soviet Union, he put an ad in the newspaper asking for 500 young men and women to seek employment. When we left he had had 14,000 applicants, and they were coming in at the rate of 1,000 a day. I told him that if it did not work out there, he might consider putting it in my riding.

• (1150)

This is the kind of enthusiasm with which the Soviet people are responding to Canadian business people. I think that this kind of attitude is a good, friendly, productive and a very creative one. This is a constructive