

nature of our economy, it will be up to the *entrepreneurs*, the investors, the financiers, the bankers to see what can be done to develop our relations with Europe in the broader sector where they can operate on their own. In a way, this is the very spirit of our system. We have to leave the initiative to individuals. They have to decide first whether there are opportunities for them to trade, to invest, to make money and thus to contribute to the expansion of our economic base and consequently to our national prosperity. But in this vital area also the EC-Canada agreement is directly relevant. Promoters, in trying to create successful undertakings, may encounter difficulties that the Canadian Government and the Communities may be in a position to eliminate. The contractual link is precisely a commitment on the part of the two entities to do just that. And it provides a means, a mechanism, for doing so -- I mean in the Joint Co-operation Committee set up by the agreement, which will hold its first, largely organizational, meeting in Brussels next week.

It should be equally clear that the agreement cannot be fully effective if the provinces in Canada, which have very substantial powers in the fields of industry and agriculture and natural resources, do not "get into the act". *Mutatis mutandis*, the same can be said about the European Community member states. We can assume, however, that here there is, on the part of the provincial and European entities concerned, no objection in principle to arrangements between Canada and the Community and commitments that are intended to increase the volume of our business and develop our links generally. There may be problems in terms of consultation, in terms of priorities, in terms of the impact of certain schemes in certain areas in Canada or in Europe. But, by and large, however, it should be possible for us to discover means of liaison with the provinces and with our European EC partners to ensure that, in expanding our economic and commercial relations, we can achieve a degree of effectiveness of which France and Japan, in particular, provide examples. They manage to bring together businessmen and officials and bankers and find ways to package satisfactory deals and thus to penetrate markets.

It seems to me that what I have said in general terms so far demonstrates amply the need for the deal made with Europe, which is intended, in essence, to enable us both to expand our relations to our mutual benefit. There is in some respects a natural "complementarity" between the European economy, and its need for raw material and resources, and the Canadian desire to develop, on terms that have to be negotiated, the natural resources we own.