

Co-operation in Europe. The participants in the first comprehensive negotiations on European security in a generation intend to address themselves to the basic causes of division and tension in Europe. The Canadian Government, in particular, is seeking to have the conference recognize the general principle that people should be able to move with greater freedom between countries and the related propositions that members of families should not remain unwillingly separated and that citizens of different countries should be able to move freely.

Détente as a principal objective would require a meaningful reduction of the present confrontation of forces in Central Europe. For this reason, Canada welcomed the opening of talks in Vienna on Mutual and Balanced Force Reductions in early January. The main participants are the countries of NATO and the Warsaw Pact which maintain forces in Central Europe. The negotiations are complex and difficult. However, in addition to the central objective of progress in East-West *détente*, the parallel negotiations present opportunities for Canadian co-operation with the countries of Europe, and in particular with our partners in NATO.

Over the past year Canada and the Soviet Union have begun to draw benefits from the three agreements on industrial and general exchanges and on consultations signed in Moscow during the Prime Minister's visit the previous year. High-level discussions under all three agreements were held. A senior Canadian delegation visited the Soviet Union to renew the existing Canada-Soviet Trade Agreement and to establish a Joint Consultative Committee on trade which held its first session following the renewal of the agreement.

Sino-Canadian relations have developed rapidly since 1970 -- indeed, remarkably, considering the enormous gap to be bridged. In the last year, ministerial visits -- my own last summer and that of the Honourable Donald Macdonald, who has just returned from China --, trade and cultural exhibitions, together with an almost continuous stream of visits by specialized delegations on both sides, have contributed to a swiftly improving atmosphere for the development of productive contacts. Exchanges in cultural, academic, scientific, athletic, as well as in industrial and commercial, fields are flourishing in this climate.

A conscious effort is required to encourage Japan to play a more positive political role in the world commensurate with its economic strength. At the same time we have been attempting to "politicize" a bilateral relationship which has, in the past, been too narrowly commercial by increasing and deepening consultations in a wide variety of fields. Canadian ministers have accepted a Japanese invitation to attend the seventh Canada-Japan ministerial meeting this September in Tokyo.

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Latin America is probably closer to economic take-off than any comparable region of the Third World. As this evolution gathers momentum, Canadian interests are increasingly engaged. This last year Canada's first ambassador and permanent observer to the OAS was accredited to that organization and full Canadian membership established with the Inter-American Development