

Defence Production

There is much to be done in matters of defence production, and, in fact, new efforts are now in process. Canada recently acquired the French ENTAC anti-tank weapons and SS-11 guided missiles. From January 1961 to September 1964, Canada paid more than \$15 million for military equipment and services in France, compared with less than \$2 million paid by France to Canada. The Department of Transport recently bought an Alouette II helicopter for coast-guard patrol and has taken options on two or three others.

A general impression emerges from all this. For a long time, the slow course of our trade has been regarded as inevitable. Nowadays, questions at least are being asked; above all, as I have said, we are ready to use other means, such as investments or the exchange of technicians to increase our trade.

I have said enough to bring me to my conclusion: France is becoming a fourth pillar of our external policy; cultural exchanges offer almost limitless possibilities; many trade barriers could be lowered through perseverance and goodwill; investments in both directions, which are good in themselves, can also lead to increased commercial activity; Quebec can be, and must be, the intermediary for this increase in cultural and economic exchanges between our two countries. On both sides there are misgivings and at times isolationist tendencies to be overcome; but, to the best of my knowledge, our highest hopes are justified.

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