



Prime Minister Pierre Trudeau (centre) listens to Mexican President Lopez Portillo address a joint session of the House of Commons and the Senate.

global scheme of co-operation between the two countries, said President Lopez Portillo.

The two leaders noted that agreements between Canadian and Mexican companies and agencies had already been concluded and were being carried forward on nuclear energy, uranium and coal. They also discussed the possibilities for further collaboration in these areas, as well as, in energy conservation and renewable sources of energy.

Prime Minister Trudeau and President Lopez Portillo noted the growing importance of financial co-operation for the promotion of trade between the two countries. Canada's Export Development Corporation recently signed an agreement with Mexico's Nacional Financiera for a \$500-million line of credit to finance exports to Mexico of Canadian capital equipment over the next three years.

The two also agreed that there is room for increased co-operation in agriculture and noted that officials from both countries are identifying areas for possible co-operation. They also agreed that there was a need to expand the range of frequency of cultural and academic exchanges.

Co-operation agreement

Prime Minister Trudeau and President Lopez Portillo also signed an energy and

industrial co-operation agreement. The agreement expressed the countries "common desire to develop and broaden their industrial and energy co-operation, to strengthen joint venture programs between both countries and to contribute to the strengthening and prosperity of their respective economies, the creation of new jobs and the improvement of living conditions".

The agreement stated that both countries would encourage participation in joint ventures in industrial development and in transfers of technology through technical co-operation, licensing arrangements and related transactions. Mexico and Canada would also facilitate the use of technological, industrial and financial resources and identify potential partners from the public and private sectors for joint ventures.

The agreement outlined the principal areas in which joint ventures could take place: mining and processing; wood products and by-products; transportation equipment; agro-industry and food processing; equipment and services related to petroleum and gas development; petrochemical; telecommunications equipment; electrical power generation and transmission equipment; and consulting services.

The Canadian and Mexican Governments agreed to facilitate the exchange of experts, technicians, specialists, investors

and businessmen. Both countries said they would sponsor and grant each other the widest facilities for the mounting of industrial fairs, exhibits, missions and other promotional activities.

The two countries also agreed to co-operate in the field of energy and the Mexican Government has agreed to study the possibility of using the CANDU reactor system. Atomic Energy of Canada Limited will provide a consultant to Mexico's Federal Electric Commission for a joint feasibility study leading to the definition of a nuclear power program for Mexico.

Canada and Mexico affirmed that they would facilitate the supply of additional Canadian metallurgical coal in keeping with the needs of the Mexican steel industry.

The agreement also included the establishment of committees to monitor and review the progress of co-operation and activities in the industrial and energy fields.

Canada's Minister of State for Trade Ed Lumley will lead a group of Canadian business executives to Mexico in late June to examine possibilities for Canadian-Mexican co-operation in transportation, mining, agricultural machinery, forestry and fisheries.

Canada responds to hostage situation in Iran

Secretary of State for External Affairs Mark MacGuigan tabled a Bill in the House of Commons on May 22, that would enable the Government to prescribe regulations imposing certain economic sanctions against Iran. Minister of Industry, Trade and Commerce Herbert Gray and Dr. MacGuigan also jointly announced that controls were being placed, effective immediately, through the Export and Import Permits Act, on the export of goods to Iran.

The measures provided for in the draft legislation follow the more limited measures with respect to Iran announced on April 23. They also fulfil the undertaking given in that statement that if there were no progress in solving the hostage crisis by May 17, Canada would, in concert with others, implement further measures.

The Bill is intended as enabling legislation that will put the Government in a position to implement the range of mea-

(Continued on P. 8)