

Just over six months ago we met here to review and move forward our common efforts to assist Poland and Hungary on their way to democracy and the open market.

How things have changed since we last gathered. What began in Poland and Hungary has swept virtually all of Central and Eastern Europe. The Berlin Wall has crumbled; the Iron Curtain has disintegrated; totalitarian regimes have collapsed; and a new Europe has been born.

Canada has profound family ties with these nations in transformation. One in ten Canadians has origins in Eastern or Central Europe, and we want to contribute Canadian skills and support to the changes in Hungary, Poland, Czechoslovakia, the German Democratic Republic, Bulgaria, Yugoslavia and Romania. We have established a Task Force on Central and Eastern Europe to work out the details of an expanded assistance program, administer it, and coordinate private and public sector activities. That Task Force has consulted intensively with Canadian groups and individuals, encouraging them to participate financially and in practical, concrete ways.

The Canadian Government will contribute an additional \$60 million, over three years, to make that program effective.

The first element of that program will emphasize the consolidation of democracy in Central and Eastern Europe. Our priorities will be to provide expertise in the areas of elections, law reform, a free media, the development of a professional Public Service, human rights and a democratic process. The open market will not survive in Central and Eastern Europe unless the roots of democracy grow firm and strong. Democratic development and consolidation is in the most profound security interest of us all.

The second element is economic development, with the priority to develop the practical expertise to make a market economy work. We intend to give technical assistance and management training in a variety of areas, including agriculture, law, taxation, privatization, environment, finance and telecommunication.

Finally, the program will support bilateral business activities. This will include trade promotion, enterprise specific management training and support for trade councils and feasibility studies.