

ed anti-Communist revolution that is still rolling over Eastern Europe will change profoundly and, I believe, forever the political, social, economic and cultural face of Europe. This sweeping change will also affect us here in North America. This monumental change in Poland, achieved without bloodshed, was due, as I mentioned, in great measure to the courageous initiatives of an electrician worker in the Lenin Shipyard of Gdansk. Working with him were many intellectuals who, throughout the 1980s, founded discussion clubs. By preaching new social beliefs and democratic principles they were of great help in the demise of Communism in Poland.

What happened in Poland was also the result of the round table talks in Warsaw, which took place from February 5 to April 30, 1989. Those round table talks were proposed by the Polish government under the leadership of General Wojciech Jaruzelski, who was able to convince the opposition forces, particularly those behind Lech Walesa, to come together to discuss their differences. This so-called round table discussion was divided into three major working groups: first, political reform, co-chaired by Professor Bronislaw Geremek, who visited Canada last year with Lech Walesa; second, economic reform, co-chaired by Mr. Trzeciakowski of the Polish National Bank; and, third, trade union pluralism, co-chaired by Tadeusz Mazowiecki, who is now the Premier of Poland, and for the Communists by Mr. Kwasniewski, who, only last Sunday, was chosen leader of the new leftist party, which calls itself the Socialist Democracy of the Polish Commonwealth. I emphasize the virtues of such a discussion, because this procedure is also being adopted by other countries in Eastern Europe.

I would like to now mention the relations between religious denominations in Poland and the Communist regime. This matter was also discussed at the round table and, among other things, it was decided that there should be complete religious freedom and that the priests should be paid by the state. This led to the new Poland-Vatican Agreement, which culminated in the appointment of a Polish archbishop as the pro-nuncio of the Vatican in Warsaw.

Since the election of June 4, 1989, there have been many changes in Poland, especially the return to a free enterprise society and free market. On January 1 of this year there came into effect several laws of the new government of Premier Tadeusz Mazowiecki, which, although they are causing a lot of hardship, such as unemployment and high prices, they are beginning to show fruit by bringing down inflation and attracting investment from abroad. As you know, Poland has a foreign debt of \$40 billion in U.S. dollars. Of that debt, \$2.6 billion is owed to Canada. It is a well-known fact that the Poles are having a difficult time in paying their debt. That is why Canada along with many other countries, including the World Bank and International Monetary Fund, have come to Poland's help. They are trying to help the people of Poland cope with the necessary reforms in order to become a free market society.

[Senator Haidasz]

• (1650)

I should like to make a few remarks now about the Canadian aid package to Poland. In an editorial in the *Montreal Gazette* it has been described as being meager. While attending a banquet in Ottawa, I heard a cabinet minister state that the Canadian aid package for Poland was only modest. Of course, you will recall what Lech Walesa said at a joint Senate and House of Commons foreign relations hearing in mid-November last year. It was not a very appropriate description; however, he was frank when he said that, as far as he was concerned, the Canadian aid to Poland was like giving a nice tie to a corpse. Nevertheless, we all have our own views about the Canadian aid package.

Prime Minister Mulroney, while speaking to a business audience in Los Angeles, announced that this was to be a \$42 million aid package, helping Poland, first of all, with the shortage of food, with the remaining amount going to credits, guarantees and other assistance.

However, what is bothering the Poles is the rescheduling of their debt. I wrote last August and September to the Secretary of State for External Affairs, suggesting that the best Canada could do is cancel Poland's debt or, at least, give a long moratorium to the debt payments. This view is supported by many economists, because they agree, along with me, that Poland will never be able to repay its \$40 billion debt. Loaning Poland money would only compound the problem, because at the present time, even with all of the promised aid, Poland is unable to service its debt.

Whatever the realistic need of Poland is at the present time and the aid that it has been receiving from the World Bank, the International Monetary Fund and many countries, the situation in Poland is grave. The people thought that with the election of a Solidarity government things would change. However, their patience is wearing thin.

Last week there was a Canada-Poland Economic Commission meeting in Ottawa. The press release that was circulated yesterday to us mentioned very little. However, it did say that there will be negotiations on the Foreign Investment Protection Agreement between Canada and Poland. There was agreement that agriculture constituted a very important sector of the economic relations between our two countries and that negotiations on further cooperation in this area should be accelerated. We are waiting with great impatience to hear about the development of these agreements, hoping that they will bring generous help swiftly to Poland; otherwise all of this trouble, all of this effort, and all of this suffering will be in vain.

• (1700)

I would hope that honourable senators take an interest in Canada-Poland relations.

Last year a Canadian-Poland Business Council was established in Toronto. That council invites Canadian businessmen to take an interest in investment opportunities in Poland. In fact, the Canadian-Poland Business Council is sponsoring a meeting in Poland, which started yesterday. Its main task is to