Inevitably, our attention in the near future will be taken up with handling the immediate consequences of the French action. But we shall not lose sight of the need for NATO to adjust to the changing circumstances since the alliance was concluded. Indeed, the adjustments which the French action will require of the existing military arrangements provide opportunities, as I said earlier, which we intend to take to examine with our allies the possibilities for developing improvements in the NATO structure and to consider how the alliance should develop in the long run, and also to consider what reductions and what savings can be effected without impairing the efficiency of the Organization, or of our contribution to it.

Although I am speaking about NATO, I wish to emphasize that—to the extent this depends on Canada—we will not allow our disappointment to affect Canada's bilateral relations with France. The Canadian Government has been working steadily to improve and intensify our relations with France. For our part we will not interrupt this process. Differences over defence policy need not impair the development of our bilateral relations in the political, economic, cultural, and technical fields.

For instance, we are sending an economic mission to France within the course of a few weeks, which will be representative both of government and of business, designed to encourage further trade relations between France and Canada. There certainly will be no interruption between these and other contacts that we have established and continue to establish with France. These are matters which can and should be kept separate from defence arrangements within NATO. In all this, we assume that the French Government agrees that this is a desirable approach, and we have no reason to doubt that this is their view.

I want to conclude this part of my statement by referring again to the objectives which the Canadian Government intends to follow in the situation created by the French action.

In NATO, our policy will be, firstly, to seek, in consultation with our allies, including France as far as possible, to limit the damage to the unity and effectiveness of the alliance, and to recreate a relationship of mutual confidence among all the members; secondly, to help preserve the essential features of NATO's existing system of unified command and joint planning for collective defence; thirdly, to continue to maintain an appropriate contribution to NATO's collective defence system; fourthly, to take every opportunity to examine with our allies possibilities for developing improvements to the NATO structure and to consider the future of the alliance in the long run.

With regard to France, the Government will, firstly, negotiate, either bilaterally or multilaterally as appropriate, fair and reasonable arrangements for those adjustments which may be required as a result of French withdrawal from NATO's integrated defence arrangements; secondly, leave the door open for the eventual return of France to full participation in the collective activities of the alliance, should France so decide. Finally, we will continue, notwithstanding NATO differences and with the co-operation of the French authorities, to develop our bilateral relations with France....