clouds on the horizon.

There were other important developments at the national level. In pursuit of policies adopted since it came to power in 1984, the Progressive Conservative Government reached a free trade agreement with the United States and undertook the process of seeking parliamentary approval for this accord. It proceeded with the task of up-grading North America's air defences. It participated in international consultations on arms control measures and continued to emphasize a number of areas such as a comprehensive test ban and verification. In efforts to give effect to the Defence White Paper of June 1987, it began the process of consolidating and strengthening the commitments to NATO. A major public debate continued over the government's plans to acquire 10-12 nuclear-propelled submarines for the Canadian Navy, with some critics claiming that they would cost far more than the \$8 billion estimated by the government or that they would undermine the moral bases of Canada's efforts to stem international nuclear proliferation. Sovereignty and arms control in the Arctic also attracted significant interest in Canada in 1987-88.

These are the kinds of things we have to think about as we consider Canadian policies on peace and security in the past year. We need to recall that Canada is involved in international affairs in many ways: this country is located geostrategically between the United States and the Soviet Union; it maintains a vast array of economic, defence and other relations with other members of the international community; and it works to promote worldwide peace, security, and prosperity through the United Nations and regional international organizations. It does this while seeking to preserve its own security and territorial integrity by maintaining national defence forces as well as collective defence arrangements with the United States and other allies. An