

Secondly, the European members of NATO are better-equipped than in the past to provide the conventional means required for individual and continental defence. In this connection, the Prime Minister of Canada, speaking in the House of Commons last April, stated:

"We feel that Europe, 20 years after the establishment of NATO, can defend itself better, and we hope that NATO's European member countries, with the support of the United States and Canada, can reach some agreement with the Warsaw Pact countries to de-escalate the present tension. For our part, we are not now advocating a reduction of NATO's total military strength, although we hope that this may become possible, but a readjustment of commitments among NATO members."

At the last ministerial meeting in Brussels, NATO reaffirmed its wish to promote an improvement in East-West relations, and Canada intends to make this the basis of future policy. We wish to give the same priority to and expend as much energy in this new rôle as we have done militarily within the alliance.

In this context, we view NATO conferences on European security as more important than ever. NATO and the Warsaw Pact publish collective statements as a matter of course. As far as NATO is concerned, this is the natural result of the political consultation upon which alliance members, especially the middle powers, have long insisted. Nevertheless, I hope that such consultation will not represent the limit of dialogue on European problems. Such problems cannot, I feel, be solved through a simple exchange of statements between blocs. Discussion will surely have to be on a much broader level and involve all European states, as well as the U.S.A. and Canada. The dialogue must be extremely flexible in character, so that in theory no topic is barred, whether in connection with security or any other issue. Canada's interest in Europe obviously goes beyond the problem of European security; there is considerable interest in political, economic, cultural, scientific and technological matters. I should like to limit my remarks to two particular areas: our economic relations and our co-operation in the field of science and technology. Economically speaking, we feel the influence of economic and monetary circumstances in Europe. Our trade, our industries and our agriculture are affected. The search for European economic unity cannot be viewed with indifference by third countries. In truth, we are following the build-up of the European community with a great deal of interest. We are not opposing this movement towards unity; that would be fighting progress. Quite the contrary, we wish to contribute to that unity, to take it into account immediately and to learn to profit from it. Of course, in order to do so, it must be made clear that Europe itself is no longer the same as before and that therefore our relations with Europe must not only accommodate this fact but must evolve at the same rate as the changes taking place and even attempt to predict them. On the whole, we are still guided by the hope that greater European prosperity, made possible by the Common Market, will improve our economic prospects and will open the way to wider financial and commercial relations.

At present, about 20 per cent of our exports go to Western Europe and Britain. This is very little when we consider that Europe has a population of several hundred million and, consequently, is the area that, in principle, offers the best prospects for diversifying our trade. Multilateral negotiations within GATT on the reduction