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Western Europe are one of the world's few sources of high technology. As such, they offer Canada innumerable opportunities for co-operation. Examples could be multiplied endlessly; let me give just one.

Europe, energy short, looks increasingly to Canada as a secure source of supply. And Canada is prepared to develop new energy sources and export what is surplus to its needs. France and Germany, for example, have invested heavily in uranium exploration in Saskatchewan and elsewhere. The first generation technology used to exploit the tar sands is German in origin, developed and adapted to Canadian conditions. When the *Manhattan* made its pioneering voyage to test the feasibility of routing tankers through the Arctic, its hull had been modified as a result of research in Finland and France. If we come eventually to ship liquefied natural gas through the Arctic, the technology we use may well be French, the development capital and the market European. And if a nuclear ice-breaker is needed to lead the way, its propulsion system is likely to be European, too. In short, energy developments in the next generation may produce new and extensive links between Canada and Europe. But in this and other areas, our task is to ensure that the exchange produces long-term development benefits and brings significant advantage to the Canadian people. I hope very much that a review process will stimulate innovative suggestions and analyses of this problem.

Third, let me look briefly at the security dimension. One of the tasks we have to confront in consultation with our allies, and in as constructive a dialogue as we can arrange with the countries of Eastern Europe, is the management of *détente*. *Détente* attracts its sceptics. Even so, it fixes the framework within which East-West relations are supposed to develop. Authoritative voices tell us there is no alternative to *détente*; that *détente* must be confirmed and extended; that it is, or must be made, irreversible.

It is true that there are many who find cause for grave doubts about *détente* in Soviet conduct, particularly where that has involved the accumulation of new weapons systems and the long-range projection of Soviet power.

We need to take these matters seriously, but not despairingly. So long as there is no real progress towards disarmament, large armed forces will continue to exist. Their weapons will grow old, and have to be replaced by newer ones from time to time. This will be as true for the Soviet Union and its allies as for NATO. It is necessary to cut into the arms race at a particular point, agree that some kind of rough balance exists, and try to halt and eventually reverse the process. This is difficult, not impossible. At the level of intercontinental weapons systems, indeed, this is what SALT I and SALT II are all about. If the United States' Senate acts soon to ratify SALT II, we may see the beginning of a halt to the nuclear arms spiral, at least in some of its manifestations. The problem then will be to continue and extend the process, to see that it comes to apply to new weapons systems as well as old ones, to theatre nuclear weapons as well as intercontinental systems, and to conventional arms as well as to nuclear arms.

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