

CANADA AND NATO

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Canada provides a battalion, which is stationed in Canada, to what is known as the ACE Mobile Force for use on NATO's northern flank. The day may come, with changes in technology or strategy, when it would be feasible and satisfactory to ourselves and to our allies to make our entire contribution from Canada. But in the meantime, Canada, as a responsible member of the international community, cannot fail to take into account the political consequences of unilateral action to withdraw forces from Europe.

If one agrees that Canada should continue to make an appropriate contribution to NATO forces in Europe, it does not of course mean that the character or level of our present contribution should remain static. Obviously our contribution must relate to changing requirements. If, for instance, it should prove possible to reach agreement on mutual reductions of NATO and Warsaw Pact forces, this could affect the level of Canadian and U.S. forces in

Europe. This is not, of course, the only arms-control measure which we seek in Europe. Indeed, as I have already indicated, the Government will support efforts to improve East-West relations and to achieve disarmament agreements, thereby increasing our security in Europe and in the world.

SUMMATION

...It seems to me that these support the argument that the continuation of the alliance will actually facilitate progress toward an eventual European peace settlement and can, in the meantime, assist in the improvement of East-West relations. A recent European visitor to Ottawa with a profound understanding of European problems put the issue to me very clearly. "NATO is essential to us," he said. "What other organization links Europe and North America, brings Germany into an alliance relationship with the other nations of Western Europe, prevents France and the other larger Western European states from dominating their neighbours, and makes it possible for the Western European nations to treat on a basis of equality with the Russians?"...

COMMODITY EXPORTS

Canadian commodity exports rose 2.2 per cent during November to \$2,412,000 from \$2,356,000 in the corresponding month of October. The cumulative increase during the 11-month period is 11.1 per cent. Exports for 1964 were \$2,047,000 during the month and \$21,360,184 during the cumulative period. Exports to the United States accounted for 55.8 per cent of the total, while those to Britain were 19.2 per cent, Germany 12.1 per cent, and other countries 12.9 per cent. Exports of machinery and transport equipment were 21.1 per cent of the total, followed by metals and metal products at 18.1 per cent, and chemicals and allied products at 14.1 per cent. Exports of foodstuffs and agricultural products were 11.1 per cent of the total, and textiles and clothing 10.1 per cent. Exports of other commodities were 13.4 per cent of the total.