Our progressive involvement in international development and relations during two decades or more have given this country a position of prominence and distinction. The policy area to be reviewed is broad and complex. In our review, we shall be giving special attention to certain areas.

We as a Government must discharge our duty to the people of Canada in meeting the needs of national security. In the narrowest sense, this could mean the strengthening of North American defence arrangements in a manner calculated to safeguard our national sovereignty and at the same time to make the best use of resources allocated to national defence. But the defence strategies of our time are neither static nor restricted in scope. NATO and NORAD, though not linked organizationally, are complementary in their strategic importance and implication. They are an integral part of the delicate balance of power on which the peace of the world has rested during a long and difficult period. We shall take a hard look, in consultation with our allies, at our military role in NATO and determine whether our present military commitment is still appropriate to the present situation in Europe. We shall look at our role in NORAD in the light of the technological advances of modern weaponry and of our fundamental opposition to the proliferation of nuclear weapons.

Canada continues to have a very large stake in Europe, perhaps not so much in the military sense of two decades ago but in political, commercial and cultural terms. We have been fascinated and greatly encouraged by the marked improvements in the political and economic situation in Europe as a whole, in both the Eastern and Western sectors. It seems almost axiomatic that, far from relaxing them, Canada should seek to strengthen its ties with the European nations, whose many and varied cultures contribute so much to our own. We should seek to join with them in new forms of partnership and co-operation in order to strengthen international security, to promote economic stability on both sides of the Atlantic and in other regions of the world, to balance our own relations in the Western Hemisphere.

We have a major aim of maintaining mutual confidence and respect in our relations with the United States. We have to sort out the dilemmas which that complex relation poses for us so as to widen the area of mutual benefit without diminishing our Canadian identity and sovereign independence.

We have to take greater account of the ties which bind us to other nations in this Hemisphere - in the Caribbean, Latin America - and of their economic needs. We have to explore new avenues of increasing our political and economic relations with Latin America, where more than 400 million people will live by the turn of the century and where we have substantial interests.

We accept as a heavy responsibility of higher priority Canada's participation in programmes for the economic and social development of nations in the developing areas. We shall be exploring all means of increasing the impact of our aid programmes by concentrating on places and projects in which our bilingualism, our own expertise and experience, our resources and facilities, make possible an effective and distinctively Canadian contribution. We see Africa as an area of growing activity, but not to the exclusion of other regions in which Canada's aid effort is well established. We intend, moreover, to combine these efforts with initiatives, policies and leadership relating to trade which will enable the developing nations to attain lasting improvement in their economies.