

economic measures adopted by the United States' administration in August 1971. Two things became gradually apparent to us.

The first is Canada's excessive vulnerability to the impact of the United States -- which, some Canadians felt, even undermined the rationale for the existence of Canada as a distinct political entity.

The second conclusion we reached was that if the Canadian mouse so frequently found herself crowded in bed by the American elephant -- to quote Prime Minister Trudeau's metaphor -- it was largely because she had failed to seek out other bed partners. Or if I may be allowed to coin my own phrase, Canada had puritanically opted for strict monogamy in a polygamous world! We now realize the importance of the European Community. We are seeking to exploit the tremendous opportunities offered by Japan. We should do more in strengthening our relations with developing countries, with Eastern Europe, and with China and the countries of the Pacific basin.

Accordingly, we have sought to pursue in recent years national economic policies which would help to secure greater control over our own economic destiny; and we have devised a diplomatic strategy to diversify our international relations. For example, the Prime Minister of Canada returned only this weekend from a European tour which enabled him to explore areas of mutual interest, both bilateral and multilateral, with the leaders of five member-states of the European Community.

But I want to stress that our foreign policy seeks to supplement, and not to supplant, Canada's long-standing relations with the United States. Similarly, the ultimate goal of our economic policies is to strengthen the Canadian economy and enable us to become more mature, capable of holding our own in a more balanced, healthier relationship with the U.S.A. For the basic fact of Canada's geo-political situation is that her links with the United States will always remain the single most important dimension of her foreign policy. Nor do we deplore this fact: despite the greater national awareness of recent years, the Canadian Government is very conscious of the quite extraordinary advantages resulting from Canada's proximity and traditionally close relations with the United States.