During the past three years the world scene has been changing rapidly and not least in Europe. There the Communist world and the free world have been face to face for over 20 years. The issues dividing them have been the most vital and the most intractable and yet paradoxically there has been a surprising degree of stability. But it has been the stability of impasse. No progress has been made to solve the major issues such as the reunification of Germany and European security. Both sides, fearing a nuclear holocaust, have counselled caution. They still do.

But notwithstanding the $\underline{impasse}$ between East and West, significant changes have been taking place in \underline{Europe} .

Over the past ten years, Western Europe has been one of the most dynamic areas of the world. During the last five years, the same kind of dynamism began to emerge in Eastern Europe as well. East-West relations were affected. The frozen postures of years began to dissolve. It even became possible to envisage an equitable European settlement, and, indeed, the development of genuine peace and co-operation between East and West, not only in Europe but in the world at large, without the abandonment of basic principles on either side. Then, suddenly, without warning, the U.S.S.R. and its allies invaded Czechoslovakia. The evolution was arrested. Hopes were deflated.

Canada cannot dissociate itself from what happens in Europe. Our interests there - not only our interest in East-West relations to which I have referred but our day-to-day relations with each European country - are all subject to evolution and change.

Europe has changed enormously in the last few years, and so has Canada. For this reason, when the present Government assumed office we immediately put in train a thoroughgoing review of several of the principal areas of Canadian foreign policy, including our relations with Europe. We want to determine for ourselves whether Canadian policies accord with contemporary conditions in Canada and the world, and whether we are using the most effective means of carrying those policies out.

As you know, these reviews have not yet been completed, and I am not, therefore, in a position to present any conclusions to you tonight. But when they are ready we shall be presenting our conclusions to Parliament and to the people for the fullest and frankest discussion.

In the meantime, however, let me assure you that, as our review proceeds, it necessarily takes account of events as they unfold. The invasion of Czechoslovakia, for example, has the greatest relevance both to our review of defence policy and our study of Canadian relations with Europe. Nor is our examination of this subject limited to the Canadian scene. We are considering with our allies in NATO the ramifications of the continuing Soviet military occupation of Czechoslovakia.