

For Canada this is not an acceptable option. The United States is our closest friend and ally and will remain so, but to say this is not to say that Canada will come to accept any kind of United States hegemony. Canada will remain sovereign, free and independent. In pursuit of this prime objective, healthy and strong relations with the nations of Europe are essential.

When Canadians look across the Atlantic it is a changing, indeed a new, Europe that we see. The Iron Curtain is no longer so impervious to trade, the exchange of ideas and the process of negotiation. The European Economic Community has become a dynamic reality. We have been very aware of these changes -- perhaps not always aware enough of their meaning and their effects upon Canada.

We are learning fast. The enlarged Common Market of ten, together with some 50 other countries having varying preferential arrangements with it, will encompass 40 per cent of the world's trade. The Market may be expected to import some 16 per cent of what it consumes. Canada cannot afford to stand aside from this great market, cannot ignore what it means in terms of our international trade, the trade by which we live.

This was one of the principal reasons for my visit to the European Communities in Brussels, as well as to some of the capitals of The Six, and for my discussions with the United Kingdom and the United States. It is vitally important for me, as Secretary of State for External Affairs, to take a firsthand reading of the important developments that are taking place or about to unfold in Europe and to meet personally and to renew acquaintance with the personalities who are engaged in changing Europe. For this is what is happening there; The Six, on the one hand, and the four applicants, on the other, that together would make up the hard core of the enlarged Community, will change the map of Western Europe and to some extent the economic and political equilibrium as we have known it since the end of the war.

An enlarged Community would be the world's leading importing unit and The Six, as well as the four applicants, share a measure of responsibility for altering the balance of multilateral trading relations as we have known them. While it is true that the Community and the applicant countries are involved in very delicate, complex and time-consuming negotiations, those who will make up the enlarged Community should at some point take cognizance of their weight and importance in the new configuration of the Western world. Is the enlarged Community prepared to assume world responsibilities in keeping with its size and importance? Can we expect an enlarged Community to be a liberalizing influence in world trade? -

Perhaps in the past Canadians have seen the growing Common Market too much in terms of the threats and constraints it seems to pose and not enough in the light of the challenges and opportunities it offers. We should be ready to take advantage of this great and growing market, not just as a place to sell in increasing quantity primary products of our farms, forests and mines but as an outlet for the finished products of our secondary industries.

The Common Market can absorb, to its benefit and to ours, far more Canadian manufactured goods. It is essential for us to build up our secondary