

while making every effort to achieve these long term goals, the Western nations must remain strong and united in their defences and in their diplomacy in order that aggressive action against them will be prevented and international tension can be lessened.

Excellent progress is being made in our national economic development. Expansion is evident in every part of Canada. Rapid strides are being made in opening up and utilizing our natural resources and in our industrial and urban growth. Employment has reached unprecedented levels. Once again we have been blessed with good crops. External trade was considerably greater last year than during any previous year. Canadians in almost every part of the country have been enjoying the benefits of this invigorating economic climate.

Foreign Policy Review

The following review of Canada's position in international affairs was given in the House of Commons January 14 by the Secretary of State for External Affairs, Mr. L. B. Pearson:

... Recent events, especially events in the Middle East, have emphasized to all Canadians the importance and the responsibilities of Canadian foreign policy, even in respect of far away areas where there may seem to be few direct Canadian interests but where the paramount interests of all in peace and war are often involved. These events have also brought about, not only widespread public discussion of the decisions that we have made and may have to make, but also a reassessment of the principles which have underlined our policies and the factors which influence them. It has, I think, Mr. Speaker, been confirmed, if confirmation was necessary, that our foreign policy must be Canadian, based on Canadian considerations, Canadian values and Canadian interests, the greatest of which, however, apart from freedom itself, is peace. But a Canadian policy, in this day and age, is not necessarily the same as an independent policy. There is no country in the world today, even the most powerful, which in the preservation of peace and security can afford the luxury of, or run the risk of, a policy of independence in foreign affairs, in the sense that independence means isolation from one's friends or immunity from the effect of their decisions and their actions.

We should not, of course, and we do not, automatically or unhesitatingly follow the policy of the United States or the United Kingdom or any other country. Nevertheless, we cannot, and I suggest we should not, make our own decisions and our own policies without being influenced by, without taking into consideration, the policies of the United Kingdom or the United States or those of our other friends and allies with whom we are associated. No country is in a better position to appreciate the necessity and indeed, if you like, the opportunities of interdependence in the realm of foreign policy than Canada, situated as we are on the North American Continent but being an active member, as we are also, of the Commonwealth of Nations, NATO and the

United Nations and trying to play a responsible part in all those associations. We are, of course, a free and a sovereign state, but freedom and sovereignty do not mean for us, or for other nations, either isolation or immunity; unless we abandon all of our national and international responsibilities, and perhaps not even then. It seems to me evident, then, that Canadian foreign policy must be influenced by various factors which we can and indeed which we often try to modify, but which we ignore at our peril.

These principal factors, I suggest, are four in number. The first is our membership in the Commonwealth of Nations, four-fifths of the people of which are now Asian, 443 million out of 530 million. Action by any of the Commonwealth nations which seems likely to foster and strengthen the ties which bind us together is almost certain to deserve, and certainly should receive, our support. The reverse, of course, is also often true.

The Commonwealth Association

In actual practice, there have been over the last 10 years or so since World War II very few international occasions when we have not been on the side of Great Britain; the centre of our Commonwealth. But the rarity of dissenting occasions stems not from our automatic acceptance of the policies of Great Britain but from the fact in the vast majority of international questions our interest and hers have happily been almost invariably identical. When that does not happen we, of course, regret it deeply and we do our best to reconcile our differences without delay and without recrimination. We experienced such regret indeed to the point of distress when we differed, not perhaps in objectives but in methods and procedures, with the United Kingdom on certain occasions at the United Nations Assembly meeting last autumn in connection with the Suez crisis. The Commonwealth was indeed deeply split on that