this organization as an institution evolving naturally into a permanent association of peoples with common traditions and ideals. Such a conception, I believe, gives the small and midd powers on both sides of the Atlantic the best opportunity to pl their part fully in the Atlantic alliance.

A decade and a half has elapsed since the North Atlantic alliance was first forged. In that decade and a half the world has not stood still. Inevitably the question has arisen - and is right and proper that it should have arisen - where we should go from here to assure the continued capacity of the alliance to respond effectively to the changing requirements of the world of the 1970's and 80's.

I should like to put before you some specifically Canada reflections on this complex of questions.

## Defence Policy

In the field of defence, Canada has begun the process of reshaping its armed services to meet the tasks they are likely: be called on to perform in the next ten to 20 years. The Canad White Paper on Defence that was issued in March of this year is the basic document for the Canadian defence review. There are aspects of the White Paper to which I should like to draw partiattention. First, it recognizes the vital need for co-ordinate between our foreign and defence policies. Second, while the W. Paper involves no change in our basic commitments to NATO, to North American defence or to international peace keeping, it reour intention, by means of reorganization and integration in the armed forces and by improvements in air transportability and mobility, to have in addition a small, highly-trained force for effective deployment at short notice in circumstances ranging is service within the NATO area of Western Europe to UN peace-keep operations. Flexibility and mobility appear to us to be essent elements in containing potential hostilities and guarding again the risks of escalation.

As far as the alliance itself is concerned, there is still a long way to go towards completion of the review of NATO defer policy that ministers required at the Ottawa meeting in May 195 While I should not wish to overstress the problems of the allic in that regard, I cannot estape the feeling that the long-term effects of not achieving some agreement in the fields of strate military integration, nuclear control, command structure and co sharing are bound to detract from our effectiveness as an allic in using the forces we have at our disposal. I believe that to time has come to face these problems and honestly to deal with them with the requisite boldness and imagination. In particula I believe that they point to the need for some re-thinking, fliwith regard to a greater sharing in the military direction of to alliance and secondly in regard to the relation between the citand military arms of the alliance.