

diversification in its international relationships, to play its own part in the world. The last four years that have seen our contacts with the socialist countries multiply and mature have also seen us increase very materially our commitment to the countries of Black Africa, of both English and French expression. In the same period we have developed new relationships with the nations of the Pacific. With Japan, we have a joint ministerial committee that meets annually. Our interest in Indonesia and Malaysia is increasing. We are in constant bilateral contact with Australia and New Zealand, formerly seen principally as fellow-members of the Commonwealth. Never before has there been such a careful and deep cultivation of our relations with Western Europe.

In the next few months we expect to achieve permanent observer status in the Organization of American States, and have already joined many of the constituent agencies of the Inter-American System.

In the light of this broadening of our world-wide interests I suggest to you that it is unacceptable to suggest that Canada is turning away from the United States and toward the Soviet Union. Some observers in the United States have suggested that Canada is trying to "disengage" from its southern neighbour. Nothing could be further from the truth. Diversification of relations does not imply disengagement from our community of interest with the United States. What is possible and desirable, and what we are doing, is to avoid drifting into total dependency upon the United States by suitable domestic policies and by developing closer and more effective relationships with other countries, some of them among our oldest friends, others with whom we can co-operate despite deep differences in policy and philosophy.

I have called my speech today "Canada in a New World". If this title seemed a little delphic -- or at least overstated -- to some of you, I hope that you now understand a little better what it implies. I have also felt it worthwhile to take up much of my time with a group of distinguished West Coast businessmen discussing the reality of world power relationships and how Canada sees them. Now let me turn to the other great change that has taken place in the last few years -- a profound change in world trading patterns and arrangements, one with very direct effects upon Canada and of very direct interest to you as traders and businessmen.