

It will be recalled that the formation of the European Economic Community was accomplished by the negotiation of the Kennedy Round. At that time Europe and the world moved together in harmony in what was a most impressive advance towards freer trade. Today there is little evidence of this kind of harmonious relation -- indeed quite the contrary.

My discussions in Europe came as a logical consequence to the meetings we had in Ottawa two weeks ago with the senior members of the American Administration, led by Secretary Rogers. The same points were made to the United States representatives here in Ottawa, to the British Government in London and those I met on the continent.

The timing of my visit to Europe was determined by the NATO December ministerial meeting. In the course of my statement there, I said that the developments in the last year suggest that we may have reached a turning-point in East-West relations in Europe. The sterile confrontation that has characterized these relations since the end of the Second World War is beginning to give way to a real effort to solve many of the intractable problems presented by the division of Europe. Interlocking negotiations with the Soviet Union are taking place on a broad front.

There can be no doubt that the conclusion of the treaties between the Federal Republic of Germany and the Soviet Union and Poland constitutes progress. These are historic developments that could make a major contribution to a healthier situation in Central Europe. The resumption of intra-German talks is another encouraging move, even though these talks are beset with difficulties. The question remains, however, whether the Moscow and Warsaw treaties -- as yet unratified -- in themselves constitute sufficient progress to justify moving toward a general conference on European security.

There was virtually unanimous agreement that the progress to date was insufficient, largely because no satisfactory arrangement for Berlin has yet been reached. Canada concurred in this view but in my intervention, I suggested the alliance should not be negative about the conference idea. I proposed that in our communiqué we note the useful negotiations currently under way, indicate our satisfaction that some progress had been achieved and express the hope for further progress in the near future.

You will note that in the communiqué the member governments confirmed their readiness, as soon as talks on Berlin had reached a satisfactory conclusion, and in so far as other on-going talks were proceeding satisfactorily, to enter into multilateral talks to explore when it would be possible to convene a conference or series of conferences on security and co-operation in Europe.

The question of mutual and balanced force reductions is one NATO has been pursuing actively in recent years and is of particular interest to Canada. In Brussels the NATO ministers renewed their earlier invitation to interested states to hold exploratory talks on the possibility of negotiations on force reductions and indicated a readiness, within this framework, to examine different aspects of the question, including the idea of foreign force reductions which was publicly advanced by the Warsaw Pact countries last summer.

In the course of the foreign ministers' meeting, I expressed Canada's satisfaction with the results of the recent NATO-sponsored colloquium on oil