

May I give you one example of this. At Paris, the Council swiftly reached agreement on a far-reaching and important three-year programme for the building of common installations, including airfields, naval bases, signals, and communications. This will cost something like 316 millions of pounds.

We also agreed, subject to the approval of parliaments, on how the costs of these joint facilities should be divided up between us. Canada's proportion - if Parliament votes the money - will be 7.13 percent.

Decisions of this kind, based upon long months of careful, detailed planning, and the action which flows out of them, are essential to the building of the central nerve system on which our physical defence depends. We made great progress in this vital field at Paris.

The essence of any real partnership - and the NATO partnership is no exception - is free, frank, and continuous consultation. Without this, and the mutual confidence on which it must be based, NATO would be built on sand and crumble away. We had this kind of consultation at Paris - especially on the current international situation and on a number of political questions of mutual concern.

Among other things, we looked at the prospects for the establishment of the European Defence Community. We were told once again about the difficulties in bringing this scheme into operation, but we all felt that it was essential that these difficulties should be surmounted as quickly as possible.

It was agreed that full and active participation of free German forces was as essential to the collective defence of the NATO countries as it was to the defence of Western Germany itself. It was our view at NATO that this participation could best be achieved through the European Army. So the Council emphasized the "paramount importance" they attached to the rapid establishment of the European Defence Community.

Above all, we had a valuable and comprehensive exchange of views on the significance of the recent Soviet moves and gestures about which everyone has been speculating. It is a striking fact that, despite the different geographical and political situations of the individual NATO countries, there was a remarkable degree of unanimity both as to the facts of the latest Soviet "peace offensive", and as to how these facts should be interpreted.

We agreed that, to the extent to which these recent Soviet moves and gestures were proved by deeds to be genuine, they should be welcomed by countries like ours, whose policies have always been to seek every opportunity to resolve peaceably the outstanding international issues which now divide the world. At the same time, we were convinced that nothing had yet happened to alter the fundamental threat to our security; that no concrete development had taken place to justify the slightest relaxation in the collective defence efforts which the NATO peoples had been forced to make, because of Soviet intransigence. We were reminded by more than