

Mr. SHEILS: Since 1946 we have had an era of the carrying out of a promise, and I think we have shown reasonable patience.

Hon. Mr. CRERAR: I agree. I think that is to be commended. I only express the hope that you will continue in good works.

Mr. SHEILS: Thank you, sir.

Hon. Mr. Euler: Mr. Sheils, if the Canadian manufacturers were sure of a permanent American market of 150 million or 160 million people, in addition to their own, do you not think that in time, after adapting themselves to the larger market, they would be able to compete just as freely as the manufacturers in any individual states in the United States? The greatest fear in the minds of the Canadian manufacturers would be that in the interim many of them might be ruined.

Mr. SHEILS: I think a lot of them would be.

Hon. Mr. EULER: But if you had a permanency to that market, what would you say then? If a permanent market could be established, do you not think the Canadian manufacturers would be just as competent to cater to a market of 160 millions as would the American manufacturers?

Mr. SHEILS: I think they have proven their competency.

Hon. Mr. EULER: The difficulty would be the period of adjustment.

Mr. SHEILS: There would be a very grave difficulty in that period of adjustment. From past experience it would be a question as to whether we could feel there would not still be an upheaval in this type of restriction with any particular industry.

Hon. Mr. CAMPBELL: Mr. Sheils, in studying these problems have you attempted to classify any industries which might benefit from freedom of trade, and others that might be seriously affected by the elimination of tariffs?

Mr. SHEILS: No, sir.

Hon. Mr. CAMPBELL: Offhand, would you care to express an opinion?

Mr. SHEILS: I would not, sir. In preparing this brief we tried to keep away from that because, as you will appreciate, representing 7,000 manufacturers in almost every conceivable type of industry, we might easily get ourselves into a real schmozzle if we tried to say this industry would benefit and this other industry would not.

Hon. Mr. CAMPBELL: In answer to Senator Euler's inquiry to you, is it not true that if the markets of the United States were opened to Canadian manufacturers, many would not be able to take advantage of these markets without establishing plants in the United States?

Mr. SHEILS: A number would be so situated in Canada that they would have a very long haul.

Hon. Mr. CAMPBELL: Has it not been the practice of many United States companies to establish different manufacturing plants throughout the States so as to be in the heart of the population area?

Mr. SHEILS: Yes.

Hon. Mr. TURGEON: On page 9, item 1 of your brief, you say: "Steadfast support should be given to existing international organizations and institutions in their efforts to solve the problems of world trade and finance." Does that include, for instance, the international monetary program?

Mr. SHEILS: Yes, sir.

Hon. Mr. TURGEON: You are including that?

Mr. SHEILS: Yes, we are continuing to explore every means of support that should be given to those organizations set up, including GATT. We think GATT, although it has not made all the progress that we should like, is doing the best it can for a human organization.