

for a reference of the problem to the International Joint Commission. All these resolutions were promptly transmitted to the United States Government. We understand that they have received attention at the highest level. This form of solemn parliamentary protest is unprecedented in Canada-United States relations.

Recently, the revival of the war in Vietnam has returned that subject to a high place on the list of issues complicating relations between Canada and the United States.

On the other side of the ledger, we have had a highly successful visit of President Nixon to Canada. In what he said while he was in Ottawa, the President showed a perceptive sensitivity to some of the issues that concern Canadians most. His clear acknowledgement of the separate identities of our two countries is one example of this; what he said about foreign ownership was another. The visit was capped by the signature of an important new agreement on a joint approach to cleaning up the Great Lakes. And from the discussion of international questions that took place, it was clear also that the two Governments hold convergent views about the international order that is now emerging.

Now let me comment on some of the developments I have listed from the Government's point of view. First, the economic issues. I will not spend much time on the import surcharge; it is a matter of history. It may, however, have some significance as an object lesson in tactics. You may recall that there was criticism of the Government at the time for having gone -- as some said -- "cap in hand" to the United States to claim that Canada's special relationship with the United States merited special consideration. On reflection, I do not find much to this criticism. I expect that this was one of those cases of "you're damned if you do and you're damned if you don't". If the Government had failed to take prompt action to register serious concern -- if it had failed to point out to the United States with great vigour that the economic relationship between the two countries is after all unique, and therefore that measures such as the surcharge risked being uniquely damaging to Canada -- we would have been accused of supine inactivity in the face of a clear threat to national interests.

As to the question of exchange rates, it has been a great success for the Minister of Finance and for his predecessor to have so solidly established the case for allowing the Canadian dollar to continue to float. At the same time, the Government's recent measures to encourage lower interest rates ought to prevent our dollar from moving upwards to the point where exports are seriously affected. With the problem of parities resolved, attention can now turn in monetary matters to reform of the international monetary system. Canada will be making its contribution to that process. Reform is not, of course, a matter for today or tomorrow. For our purposes today, let me simply record that I expect Canada to work in close consultation with the United States on this question