

The Address—Mr. Coldwell

America to the sterling area and the territories controlled by the major sterling countries.

Mr. Cote (Matapedia-Matane): Would my hon. friend permit a question?

Mr. Coldwell: I would prefer to continue for the time being. Last September the Washington conference stressed the need for both public and private investments from the dollar area to the sterling area. Quite recently, at the meeting of the commonwealth foreign ministers in Ceylon, this phase of our commonwealth relationships I understand was again underlined. Indeed, in the very speech to which I have referred, that of Mr. Harold Wilson last September, the importance of international investment by North America, that is by Canada and the United States, was emphasized, in these words:

... since it is one of the most hopeful and speediest means of increasing the flow of scarce currencies into the rest of the world.

Hence the suggestion we are making in respect to sterling balances being used for investment purposes is strictly in line with these suggestions. Moreover, early this month a Canadian Press dispatch from London quoted a British treasury official to the effect that Britain would be prepared to extend her purchases in Canada if we could consider accepting sterling in payment.

The development of such arrangements of course would require agreement between us; but we are trying to suggest some basis of discussion to enable us to maintain those external economic relationships upon which I firmly believe the welfare and prosperity of our own country depend.

Let me make this clear. This is not a plea for aid to Britain. That must be an incidental consideration to a Canadian primarily interested in the welfare of his own country. I believe, however, that if a solution along these lines could be worked out it would be a measure which would be helpful to the British people and would assure Canadian primary producers of badly needed markets. One of the points I think I should make is that we are not suggesting that the purchase of United States goods should be denied to Canadians. We suggest nothing of the kind. We do suggest that our balance of payments to the United States is, under present world conditions, a burden which is difficult for Canada to bear.

We suggest, too, that there are some Canadian expenditures for United States products and services which could be curtailed without causing much hardship to the Canadian public. Canada's prosperity in the future, as in the past, depends, in our opinion, upon our ability

[Mr. Coldwell.]

to trade as freely as we can with the rest of the world, and particularly with the sterling area including our best customer, the United Kingdom.

In so many respects our economy is competitive with that of the United States. In the same respects, it is complementary to that of the United Kingdom, and indeed of other countries in the sterling area. Apart altogether from sentiment, apart from the desirability of maintaining our commonwealth associations—and that is desirable—our material and economic interests lie in maintaining and expanding our economic relationships with the United Kingdom. To assure the maintenance, and indeed the expansion, of this vital economic relationship must be, I believe, a primary purpose of Canadian public policy.

I have therefore outlined at some length suggestions which we believe to be worthy of consideration and discussion. In conclusion, I should like to say this. Only by examining every possible channel can this country's producers, and the people dependent upon them, be protected from grave hardships, and of course that means practically all our people, because we are all dependent, more or less, on the prosperity of our primary producers.

How simple it would be if nations could exchange goods freely, and settle their balances in a universally accepted currency under an international economic plan. Of course, one realizes that that plan would involve the exchange of goods, which alone make any currency acceptable at any time. How simple it would be if we could pay our debts to the United States in pounds sterling. But since the United States demands dollars, and her own dollars, instead of goods or sterling from Canada, the United Kingdom, and indeed all countries, we must devise other ways and means of maintaining farm prosperity and full employment.

These are two problems that are really one problem and one which, obscured by the war and post-war demands, including Marshall aid, is again casting its shadow across this country from one ocean to the other. So, Mr. Speaker, I hope that during this session we shall give every attention to the wider international matters, both economic and political, that we shall try to solve the problems that face our own farmers and workers in the form of depressed prices and unemployment, and that we shall find policies that will assist this country to go forward, prosperous and free.

Mr. Cote (Matapedia-Matane): May I now ask my question? After listening to my hon. friend, and on the eve of a general election in England, may I ask my hon. friend whether he would be in favour of something he has not mentioned as yet: that is, everything being