

Hon. Mr. KINLEY: I like the story of the export of minerals. It shows a splendid growth from 1951 to date. There has been a phenomenal increase in our export of minerals, even to the United States.

Hon. Mr. HAIG: My honourable friend does not own any stock in the Hudson Bay Mining and Smelting Company, or any base metal mining company or he would not talk that way. The way things have gone over 1951 and 1952, I am afraid, in the light of what these gentlemen tell us, that zinc and copper are on the skids. How can we stop it? They have taken our nickel. They have got most of it tied up for contracts and development work. It is all right to say that we had a good trade in base metals in 1952 and earlier; they were then stockpiling metals for the war in Korea, and possible trouble elsewhere. Now they think they have a pretty good stockpile ready, and they are cutting us down.

The CHAIRMAN: There may be a reason for them to start stockpiling for Indo-China. Any further questions?

Hon. Mr. KINLEY: Have we a trade in base metals with European countries?

Mr. BATEMAN: Very small, outside of the United Kingdom.

Hon. Mr. KINLEY: Where is Germany getting her base metals?

Mr. BATEMAN: They are getting some from overseas, including a little from us, but mostly from European sources.

Hon. Mr. KINLEY: And Japan?

Mr. BATEMAN: We have not begun to pick up our trade with Japan yet. I don't know what is going to be the outcome. From 1937 to 1939 about 70 per cent of our exports of copper, lead and zinc went to the United Kingdom, and the principal outlets in addition to that were Germany and Japan. Of course the war interrupted those markets. Germany is only recently coming back as a big manufacturing nation. Japan is just starting, and we certainly have not picked up our markets there yet. Of course as a matter of fact we could have developed a bigger market with those countries had it not been for the fact that, following Korea, the United States asked us to curtail our exports to these traditional markets in order to give them additional supplies, and they gave us a practical assurance that we could count on a continuing market. In the present temper of the United States legislators, however, we do not know from day to day what will happen.

Hon. Mr. HAIG: The present Congress is more protectionist in sentiment than the one that went out. There is no doubt about that.

Mr. BATEMAN: The only thing we can do is to try to impress them with the fact that it is to their interest as well as ours to allow for free interchange. The alternative is something one does not want to contemplate, because it would be a violation of the principle we are trying to adopt—that of freer trade. We do not want to adopt retaliatory measures unless they are necessary.

Hon. Mr. CRERAR: I am sorry I missed the earlier part of this very interesting discussion. I am bound to say I cannot feel so gloom about this whole situation as some of my colleagues here do. After all, we always see the worst side of our American friends. They are great people to get out on the street and wash their dirty linen and let the world see the process. But it is quite obvious, certainly since the war, that the best thinking in the United States is against the policy of economic nationalism. We have had reports from one or two presidential inquiries set up by President Truman. Congress is a bit upset at the moment. I understand that President Eisenhower has lately started a new commission of inquiry, headed by Lewis Douglas, who at one time was principal of McGill University.

Mr. BATEMAN: Senator, every time they are faced with a new issue, all they do is set up a new committee.