

*Supply—Trade and Commerce*

We go on from there, and a little farther on in the same paragraph it is stated:

Indicating the importance we attach to our trade with the United States and other non-commonwealth countries, we met with Messrs. Dulles, Benson, Weeks and Anderson of the United States cabinet in Washington in October—

I have already referred to the fact that that kind of discussion had already taken place previously, but in commenting upon these statements I wish to call attention to the fact that our Canadian trade is very considerable. I am not going back to the beginning of the 22 years to point out how low it was at that time nor am I going to say it is only the fact that there was a Liberal government for 22 years that resulted in our trade being so greatly increased over that period. Many things have happened in the world during that period of time that have had their effect upon the trade of all countries. I am only going to say that certainly while we were here we did so guide the destinies of this country in connection with matters of that kind that Canada did progress as much as any other nation in the world.

I was not able to get the tables for the last ten months for both exports and imports, and therefore there will have to be some averaging done of the figures which I am going to place on *Hansard*. I was only able to get the exports for the last nine months and imports for the last ten months. I think if I use round figures the figure will be close enough to be the average of these two for nine and a half months. During that period of nine months up until September, 1957 our exports to the United Kingdom amounted to \$544 million—I think \$545 million would be about the correct figure. The exports to commonwealth countries other than the United Kingdom amounted to \$165 million; exports to the United States, \$2,123 million and to all other countries, \$902 million.

I want to say in this connection that it is obvious our exports to the United States are almost four times what they are to the United Kingdom. There is not any comparison between our exports to the United States and our exports to other countries. We have much more in the way of export trade with the United States than we have with any other country.

In so far as imports are concerned, we imported from the United Kingdom commodities to the value of \$407 million; from commonwealth countries, \$183 million; from the United States, \$3,493 million, and from other countries, \$881 million. Again, it will be seen that our import trade with the United States

[Mr. Gardiner.]

is very much greater than our imports from any other country, as a matter of fact much greater than our imports from all other countries put together. In other words, there is no question but that the United States is not only our best customer but she also sells a great deal to us.

As a result of this fact many people would have us believe that trade with the United States contains some factors which might be harmful to us. I should like to deal with that question for a moment or two, and the question of the necessity for balances in trade and what is meant when we discuss balances in trade. I want to say that when you are dealing with a country such as ours, which is comparatively young and with a small population, and when you are comparing Canada with a country that is comparatively old, like Great Britain which has a population about four times as great as ours, balances of the kind that are sometimes talked about would appear to be more or less an impossibility. Then when we are dealing with a country as great as the United States, which lies alongside of us and has a population about ten times as great as ours and which, while not an old country is a very highly developed industrial country, talking about annual balances in trade is just a waste of time. It is just a waste of time to talk about balances in trade over a period of 12 months as between our country and either of these two countries; balances of that kind are an impossibility. The United Kingdom has 60 million people, is an old country and must import many of the primary products that it converts into commodities that the nations of the world require. This is an entirely different situation from the situation we have here. If one talks about balancing trade over a 12-months period, with such a country one is just attempting to bring about a condition of stagnation in one or both of these countries.

These remarks would be even more true if we applied them to a country like the United States. By way of illustration, I might point out that when the United States was developing in the sense that we are developing now, towards the beginning of the last century and even after the middle of the last century, a great deal of capital was invested in that country from the United Kingdom and elsewhere.

Not only was capital invested there, but some of the best experts in connection with industrial development, such as Carnegie, for example, went from the United Kingdom to the United States and took a very leading part in the development of the steel industry of that country. The same thing has got to