

Hon. Mr. EULER: You did not say a free trader, you just said a free enterpriser.

Hon. Mr. CRERAR: I was going to ask Mr. Henderson a question that I asked the other day.

The CHAIRMAN: I think, Senator Crerar, that idea of sinking in the minds of the businessmen, other than governments and organizations like we have before us this morning, is certainly doing a great educational work among business men that trade must be a two-way street if they are going to continue their international business.

Mr. Henderson, I read not long ago that there is really more business done in sterling today—more trading throughout the world, than in the dollar. That surprised me, that there was more business being done in the world through the sterling than the dollar.

Mr. HENDERSON: I would like to ask Mr. Blair to deal with that. He travels widely in both areas.

Mr. BLAIR: As a general statement I would say that is true, that the sterling area total is a much broader area than the dollar area. The major problem is to find out how sterling can be converted to dollars along with the chains of other currencies.

Hon. Mr. TURGEON: The convertibility of sterling to dollars would settle the problem fairly well?

Mr. BLAIR: I would not say it would settle the problem, but certainly it would be a major step in the right direction.

Hon. Mr. HORNER: Have you any suggestion as to how convertibility may be brought about?

Mr. BLAIR: I think if I had the capacity to solve that one, I would probably run for Prime Minister. There is a great wealth of ideas on the subject, and I think as we suggested in the brief here, through continued co-operation among nations it is the only channel through which we might eventually find the solution.

Hon. Mr. HORNER: Well, it would seem that all the various moves, such as the Breton Woods agreement and so on, that we have made, instead of helping have added greater confusion to the whole issue.

Mr. BLAIR: Well, there are undoubtedly evidences of wrong guesses along the way, but I think that the general principle of co-operative international institutions leads in the right direction. Now, whether or not we can continue to use the organizations that have already been developed and through a re-constitution of those find a means of achieving the end which they set down originally, remains to be seen; or whether or not we need an entirely new approach is somewhat beyond me to say. But I feel, more as a personal opinion than anything, that within a re-constitution of the international monetary fund to provide a means of obtaining that kind of world upon which the principles of the fund depend we may in that channel attain in the original goals of the fund, re-convertibility for multilateral trade.

Hon. Mr. EULER: Would you say, getting down to brass tacks, that the vital factor in the whole situation is if the United States would be more willing to open its doors to foreign goods?

Mr. BLAIR: Well, there is a lot of discussion on that point, and of course there is a great division of opinion not only between the rest of the world and the United States, but even within the United States. To what degree real improvement would be attained by complete abolition, shall we say, of tariff restrictions in the United States is a very difficult thing to measure.