

Canada—U.S. Ministerial Meeting

Some hon. Members: Agreed.

[*Editor's note: For the communiqué referred to above see appendix A.*]

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I again express the thanks of the opposition to the government for the courtesies extended by the Secretary of State for External Affairs in providing a copy of the statement that he has just made. In so far as the concluding words of the statement are concerned, as to the benefits that flow from these meetings, all of us who have participated at any time in any of these meetings are fully aware of the beneficial effects of meeting together and exchanging views. However, in so far as the statement is concerned, I think it is far too optimistic, regarding the attainments of this meeting. I might point out that it has been apparent for a considerable time that this government has been carrying into effect rather too literally the recommendations and suggestions of Mr. Merchant and Mr. Heeney, which were issued I think last July, and which placed Canada in the category of being seen and not heard. As I review the events which have taken place since the imposition of the United States guide lines, I can only say that the attitude of the Canadian government has been so supine, so meek, so weak, that interferences with our sovereignty have taken place, which are, and have been, unfair and unreasonable.

● (2:50 p.m.)

Yet as I read the statement of the hon. gentleman I find that the only place in which strong views were expressed was in connection with the S.E.C. program. It is stated in this regard:

Turning now to the SEC problem, we put forward the strong Canadian views on the proposed regulations as an intrusion into our sovereignty.

In so far as the guide lines were concerned, the words used do not give that degree of certainty which should be expected and which the Canadian people have the right to demand. It is stated:

We reiterated in some detail our views on the implications of the guide lines for Canada.

When these guide lines were first imposed no serious objection was taken by the government. The attitude was, indeed, that some of these guide lines might perhaps be a kind of windfall for Canada—if I might use that expression without appearing to intrude on any royal commission investigation which is taking place.

The communiqué says:

The United States members made clear that the United States government was not requesting United States corporations to induce their Canadian subsidiaries to act in any ways that differed from their normal business practices as regards the repatriation of earnings, purchasing and sales policies, or their other financial and commercial activities.

I say that those guide lines have been detrimental to Canada, and are detrimental, and that they constitute an invasion of what should be an exclusively Canadian area of decision and regulations. The wording of the communiqué gives no indication that this problem has been met in a way which is acceptable and reasonable.

There was mention also of the two or three other phases which were dealt with, including the United States balance of payments program. What has happened here is that the United States has a balance of payments problem because of the fact that it sells so much elsewhere less than it is importing. Our position is the very reverse. Yet Canada is made to pay for the settlement or the solution of a United States problem.

In the field of automobiles to which the hon. gentleman made reference, it is of interest to note that according to the communiqué, the arrangement entered into has been of benefit to Canada. Well, in the latest weekly bulletin of the Dominion Bureau of Statistics, dated March 4, we find the following figures: September, 1964, 52,144; September, 1965, 52,421.

There is very little difference there. Now we come to passenger automobiles. The Canadian consumer still buys, and pays through the nose, though under this agreement Canadian manufacturers are selling their cars abroad and meeting American competition while the Canadian has to pay. Imports of passenger automobiles in 1964 amounted to \$96,184,000 from January to September. In the same period in 1965, the amount of imports was \$144,315,000.

I am disappointed in this statement. It is simply a diplomatic statement which could have been made before the minister made his visit together with those others who took part in the pilgrimage. It is simply a general summary of a serious situation which in no way has been resolved by the communiqué.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I desire to thank the Secretary of State for External Affairs for sending me a copy of the statement which he has just made to the house.