

was agreed on. The terms of reference, while according priority to the relationship between The Six and The Seven, are not confined solely to European aspects of trade relations. It was also decided that the committee should include the Executive Secretary of GATT. He will, I am sure, play a constructive role and his presence on the committee should, at least in a measure, allay the apprehensions of the many countries outside Europe who have been worried that the Europeans, preoccupied by their own difficulties, might disregard the interests and the rights of outsiders.

In regard to all three resolutions, but particularly in regard to that on trade, the Canadian Delegation was successful in its attempt to promote acceptable solutions for general problems while protecting Canadian interests.

In the short time available, last week's meetings did not attempt to grapple with substantive issues of trade. What was required was agreed machinery which could come to grips with these issues. This will now be done in the trade committee and its subcommittees. It is now for countries involved to put this machinery to the best possible use in solving their problems without sacrificing the interests of others. It is the sincere hope of the Government of Canada that all the countries concerned will effectively employ this opportunity.

In this regard we must recognize that the outcome of current economic issues in Europe will have significant effects throughout the world. Trade policies are not made in isolation, but through interaction. The commercial policies to be followed in Europe cannot fail to influence United States policies, and both are of critical importance to Canada.

The meetings of the past week may well prove to be memorable. At these meetings the United States displayed, once again, leadership of a very constructive nature; and this leadership involved the relationships between the United States, Europe, and the rest of the world. Since the war the United States, abandoning its historic isolationism, has been willing to recognize its own interest in the reconstruction of a devastated continent and in the defence of that continent against the danger of expansion and aggression from the east.

Last week, European countries and the United States, together with Canada, came together as equals around a table to discuss common economic problems. Let it be remembered that there was not only the problem of the threatened trade split in Europe but there were also the problems of balances of payments and of enlarging the aid given by the more industrialized countries of the free world to the less-developed. The countries participating were ready to concern themselves not merely with the responsibilities of the Atlantic Community within itself but with its responsibilities in the world at large. No development could more closely serve the interests of this country.

Canada has been historically a North Atlantic country. Its history has been bound up with the United Kingdom, Western Europe and the United States. We can expect to achieve our full stature only if Europe and the United States are in harmony. But Canada is also a member of the Commonwealth and the