

The Address—Mr. Pearson

world war II but this was not on the prime ministerial level. There was nothing unique about it in its assembling or in its results. It included in its communicate the following paragraph which I know the house will listen to with great interest because they may have forgotten it, and it also appears in the speech from the throne:

"A large measure of agreement was reached on trade and economic matters. This has led to far-reaching decisions on the part of the United Kingdom and other countries to restore convertibility of their currencies and to remove restrictions on imports.

In other words, it was the commonwealth conference in Montreal that impelled the French government, the Belgian government, the German government and the governments of various other countries to restore convertibility. That, Mr. Speaker is another grossly misleading and inaccurate statement.

The conference in Montreal was, of course, a useful meeting as commonwealth meetings always are. For one thing, as the chairman is reported to have said, "It is useful that we ministers have got to know one another." When we were in power we had more commonwealth conferences including prime ministerial conferences in a period of ten years than were ever held in all our previous history.

Mr. Fleming (Eglinton): And you dragged your feet at every one of them.

Mr. Churchill: You scarcely mentioned the commonwealth.

Mr. Pearson: While this recent conference was a very useful one indeed it had about as much to do with recent European convertibility developments as had the revolution in Cuba. If this conference—in the words of the speech from the throne—"led to" recent European convertibility moves why did the Canadian-United States conference communicate issued on January 7, only a couple of weeks ago—a little more honest in its assessment of the commonwealth conference in its assessment of the relationship of the Montreal conference to convertibility—merely state that the Montreal agreement foreshadowed moves toward convertibility which is a very different thing from saying it led to convertibility developments.

We were told for months before the commonwealth conference assembled that it was to be a great commonwealth trade meeting.

Mr. Fleming (Eglinton): A trade and economic conference.

Mr. Pearson: It was to be a great commonwealth trade conference primarily for the purpose of expanding commonwealth trade.

Mr. Pickersgill: And recovering markets.

[Mr. Pearson.]

Mr. Pearson: Yes, and for the purpose of recovering markets that had been lost after ten years during which export figures in Canada reached the highest peak in the history of this country. As a result of this meeting these markets were to be recovered and commonwealth trade was to be expanded.

Mr. Fleming (Eglinton): It is.

Mr. Pearson: At this particular meeting, in fact, very little was accomplished in the field of trade. As a commonwealth problem, according to the reports, it seems to have been given extremely inadequate discussion. Certainly the British made no effort at this meeting to repeat their earlier free trade offer. They had been bitten once and were shy a second time. I know that when the Prime Minister or the Minister of Finance speak they will probably point out that some United Kingdom import controls were removed with respect to newsprint, canned salmon and machinery from all dollar countries. But as the Ottawa correspondent of the *Financial Post* pointed out at the time, September 27:

Undoubtedly a good thing for Canada and the United States and Britain; but no bold leap into the unknown. It was more like tidying up the books since salmon quota had been set high at \$4,500,000 and licenses for newsprint and most machinery had not been refused for some time.

And what did the Canadian delegation do at this conference to show its devotion to the removal of trade barriers? It promised not to increase the British preferential tariff rates on many products which were bound under GATT procedures. Moreover, and I consider this most important, it is reported that the Canadian government have undertaken not to use the new anti-dumping clauses in the Customs Act against British products although the Prime Minister refused to make such an assurance public because of the implications it would have in the United States. If this report is inaccurate perhaps the Prime Minister will take this opportunity of denying it. If it is true that the British have been given any assurance whatever that the anti-dumping provisions will not be used against them then the amendments we made to the Customs Act last session mean nothing at all because with respect to the recent meeting between United States and Canadian cabinet ministers held a couple of weeks ago the following paragraph appeared in the communique:

The United States representatives set out the grounds for their concern as to the amendments made last year in the Canadian Customs Act. They were assured by the Canadian ministers that it is not intended to apply the new provisions of the act in either a discriminatory or an arbitrary manner and that consultation would be held wherever feasible before applying the new provisions.