

Supply—Finance

Mr. McIlraith: Well, I was about to use a somewhat milder term, and say that the damage done is a natural consequence of the position taken and of the method used to handle the situation and explain Canada's point of view. In this connection I invite the two ministers concerned to study the remarks made by Canada's Prime Minister when they were absent from this country and their comments first came before the House of Commons. They would notice a wide divergence in the points of view which have been expressed—a marked difference between what the Prime Minister said on that occasion in answer to questions, though, of course, the right hon. gentleman could only speak briefly on that occasion—as compared with what has been said by the two ministers today.

The bulletin of the European free trade association for August-September, 1961 contains a series of comments on Britain's decision to apply for membership of the European economic community. The opinions of a number of well known newspapers are printed and all of them express approval of the stand taken by the United Kingdom. For example, approval is expressed by such papers as the *New York Times*, the Paris newspaper *Les Echos*, the *Frankfurter Allgemeine* and the *Journal de Geneve*. These comments all show a constructive approach to the problem. The Canadian approach is altogether different, and without repeating the arguments which have been put forward in relation to what should have been done I should like to explore this question a little further.

The Minister of Trade and Commerce used these words in his speech in Ghana:

There is no substitute for the terms of access we are now afforded in the United Kingdom market.

Hon. members will note that this statement is absolute in its terms. I should have thought there might well be substitutes which would be more to the advantage of Canadian producers of farm products. In any case, it would be seen that the argument advanced by the Minister of Trade and Commerce on this important subject is a negative, restrictive and destructive one. What was required was a positive approach, recognizing that the great period of prosperity in this country under the former administration during the late forties and fifties took place under a government which was seeking to liberalize trade. The ministers representing this country at Accra should have been putting forward solutions seeking an expansion of trade rather than trying to preserve, in all the circumstances, the identical form of the trade pattern which exists at the present time.

The minister must recognize that the ECM group of countries has in the last two years been enjoying a period of prosperity which may well be without parallel in recent history. Incidentally, I was disappointed that, when the Minister of Finance used an argument this afternoon with reference to the size of the common market, he should have referred only to the number of persons living in that area and compared that number with the population of the commonwealth, making no reference whatever to the volume of trade, to purchasing power or to the other factors which ought properly to be considered in this context together with population. I thought that was not a worthy way of expressing the point of view which, apparently, the hon. gentleman wished to express at that time. A question of this sort must be dealt with on a much broader basis. It is not just the number of persons in a particular market which matters. There are a great many other factors which must be considered including, for example, the potential of that market and its purchasing power.

Then there was another phrase, used at Accra, by the Minister of Trade and Commerce. Speaking of the damage which would be done if commonwealth preference were to be changed or reduced, he said that in some cases irreparable damage would be done if our present trading arrangements with the United Kingdom were altered. Had the minister been thinking in a positive way he would have put forward constructive proposals calculated to minimize any damage. Such proposals would, possibly, have the effect of bringing about great gains for this country instead of damage. I suggest to the hon. gentleman that he should recognize some of the facts which apply to trade in the commonwealth, in Europe and in the world as these facts exist today, and that he try to act constructively and responsibly so that Canada may play a full part in working out means of enlarging our trade pattern rather than merely giving an obstructive lecture to the United Kingdom at a time when the country is faced with a very difficult decision to make. I may add that I am sure her government will have the capacity to make that decision. I am disappointed that our own government did not address itself to these problems and come forward with a more constructive solution.

I do not wish to develop an argument on the finance department's estimates which deals with all aspects of trade. I wish to confine my observations as far as possible to the part played by the two ministers at this conference. However, I would point out that in debates in this house, both on the