

Canada—U.S. Ministerial Meeting

For our part we expressed our concern over the possible implications for Canada of the United States voluntary program on direct investment and the relation of this program to the position of Canadian subsidiaries of U.S. corporations. The United States members made clear that the U.S. government was not requesting U.S. corporations to induce their Canadian subsidiaries to act in any way that differed from their normal business practices as regards the repatriation of earnings, purchasing and sales policies, or their other financial and commercial activities. The United States members re-emphasized the view that U.S. subsidiaries abroad should behave as good citizens of the country where they are located.

Secretary Rusk later confirmed to the press that we had tried to resolve, and he thought succeeded in resolving, "any misunderstanding or differences of approach on this problem as between our two countries". The communiqué, moreover, records the agreement reached that the United States government would ensure that any misunderstandings on the part of United States companies as to the government's views would be dispelled.

Turning now to the S.E.C. problem, we put forward the strong Canadian views on the proposed regulations as an intrusion into our sovereignty. Responsibility for securities and exchange matters in the United States rests with a quasi-judicial body, but the chairman of the S.E.C., Mr. Emmanuel Cohen, was present for this part of the joint committee's discussion and the communiqué records that:

—the United States members appreciated the concern of the government of Canada and assured Canadian members that most careful consideration would be given to Canadian views in an effort to work out at an early date mutually satisfactory arrangements.

There was also a thorough and useful discussion of United States foreign assets controls which have on occasion created serious difficulty for Canadian companies trading with such countries as Communist China and Cuba. As the communiqué states:

—the United States members reaffirmed their readiness to consult promptly on any transactions of importance to Canada which are affected by United States foreign assets control. They also stated that regulations over exports of technical data are being revised and that, in the light of the committee's discussions, further consideration will be given to the possibilities of additional modifications to these regulations.

On all these major subjects I consider that the results achieved are very substantial. The

[Mr. Martin (Essex East).]

government is confident that, on the basis of the understandings reached, experience will confirm our judgment that the problems which were threatening have been effectively dealt with.

Mr. Speaker, the Joint Committee also discussed a wide variety of other matters of common interest to our two countries. In particular we reviewed the Kennedy round negotiations in Geneva and agreed on the importance of their timely and successful conclusion; we agreed to continue to work closely together towards this objective.

In addition to dealing with these matters of general concern, the committee also discussed a number of questions of great practical interest to different sectors of our economy, including the progress which has been achieved under the automotive agreement, Canadian exports of cheese and oil to the United States and trade in agricultural equipment, tractors and aircraft between the two countries, the problem of water pollution in the Great Lakes and the food aid programs of our two countries, notably in the light of the current Indian food situation.

Finally, Mr. Speaker, I had several opportunities to review a wide range of international problems with Secretary Rusk. One that I might mention here is Viet Nam. Secretary Rusk made it amply clear that he recognizes and appreciates the obligations and commitments we have assumed as a member of the International Control Commission and that he hoped we would continue in this capacity to make such contributions as we can toward a peaceful settlement of the Viet Nam problem. At no time did Secretary Rusk press for any contribution other than that which the Canadian government decides in the light of these responsibilities.

Mr. Speaker, this was the tenth meeting of the Joint Committee. I am sure that hon. members on the other side who have participated in the past recognize how useful these meetings can be and I would say that this particular session has been the most constructive and fruitful of the three meetings in which I have had the privilege of taking part.

In taking my seat, I want to thank my colleagues for their co-operation on the Canadian delegation.

Mr. Speaker: Order, please. Is it the wish of the house that the communiqué referred to by the Secretary of State for External Affairs be printed as an appendix to *Hansard*?