

The CHAIRMAN: I was going to announce that. It is to be hoped that they will be able to get back.

Hon. Mr. PIRIE: I think several others have to leave. What is your quorum?

The CHAIRMAN: Seven.

Hon. Mr. MACLENNAN: I saw in the *Christian Science Monitor* newspaper yesterday evening that there is a committee of Congress studying the tariff with a view to increasing it. You did not see that paper?

Mr. HENDERSON: With a view to increasing the United States tariff?

Hon. Mr. MACLENNAN: Yes, against all and sundry.

Mr. HENDERSON: We have noted references in the press as to the rise of protectionism in the United States. But our consensus of opinion is that at this particular juncture, as we are awaiting some very substantial pronouncements from the President himself, we should rest on the statements already made by the President and other thinkers in the United States. Incidentally, at three o'clock this afternoon the President of the United States is to make a broadcast as to that country's defence policy and how it is going to deal with the dollar problem for defence aid in the future.

Hon. Mr. MACLENNAN: This article implied that Congress would not pull with the President.

Mr. HENDERSON: I am afraid there is no doubt that there is going to be a great deal of argument, a rising wave of it, but until it is officially brought out and the President has made further pronouncements, we feel no good would be gained by being critical of the United States.

Hon. Mr. EULER: Following along that line, Mr. Henderson, I think we are all a bit disquieted by the apparent trend in the United States towards higher tariffs, and no matter what President Eisenhower may think or say, he may find some difficulty in carrying the American Congress with him. I believe that is a fact, but I was going to refer to your summation where you say: "In view of the present status of events, it is felt that the Canadian government should not obscure the goal of wider international trade by the imposition of any additional restrictions on international trade at this particular time."

I suppose by that you mean the natural tendency on the part of Canadians, in view of what the United States has already done by way of violating GATT agreements, is not to take reprisals at the present time. In other words, you would not suggest there should be any reprisals on the part of Canada?

Mr. HENDERSON: Well, sir, that is correct. We feel it would be premature for Canada at this stage to do anything like that.

Hon. Mr. BURCHILL: I am interested in your reference to Great Britain. I take it from that that you think it will be tougher for us to trade with Great Britain in the future than it has been in the past, on account of a scarcity of dollars. Is that right?

Mr. HENDERSON: Sir, I think the answer to that question, if I may say so, largely depends on the United States. They hold the cards at the moment and until they start playing them I cannot see how Britain can very well chart her course any more than we can.

Hon. Mr. BURCHILL: I notice you say that the United Kingdom produced a surplus of 170 million in 1952, and that it is estimated to meet overseas commitments in 1953 Britain must earn a surplus of 300 million to 350 million. In other words, they have to restrict their purchases in dollars.

Mr. HENDERSON: Absolutely sir, yes.

Hon. Mr. BURCHILL: So that would mean those of us who are dependent on our British market for our goods will find the going tougher in the future if they have not got dollars.