

Hon. Mr. TURGEON: Just this spring.

Mr. SHEILS: Just this spring; and at that time the American officers, I believe from the Presidential office, assured the British that this long-deferred simplification would take place this year.

Hon. Mr. TURGEON: Could that be called—I am asking for information—an official undertaking?

Mr. SHEILS: Well, it all depends, sir, whether the officer in the President's office, under their set-up, has the authority to make the statement. He certainly made it.

Hon. Mr. CRERAR: It was a declaration, I think, that the President would try and get these changes effected.

Hon. Mr. TURGEON: That was while Mr. Butler was in Washington?

Mr. SHEILS: Yes, but the original promise was in Geneva in 1946.

Hon. Mr. EULER: Then they went to Havana and Annécý and Torquay.

Mr. SHEILS: Yes, sir.

Hon. Mr. EULER: And the last one was in London; is not that right?

Mr. SHEILS: I am not sure if there was a discussion in London on that or not. Torquay was the last.

Hon. Mr. CRERAR: Would you agree, Mr. Sheils, with the theory that is now becoming somewhat popular throughout the world, that if a country is going to export it must import?

Mr. SHEILS: Yes, sir, we do agree with that.

Hon. Mr. CRERAR: And it follows, then, that barriers in any country to the movement of trade back and forth across these countries are in contradiction of that?

Mr. SHEILS: Yes. I think we have proved that. We Canadians proved that by the amount of stuff we export per capita as compared with any other nation in the world.

Hon. Mr. EULER: Which is the greatest obstacle,—tariffs, or these other methods of restricting imports?

Mr. SHEILS: As regards our dealings with the United States, I would say the invisible barriers are the worst.

Hon. Mr. CRERAR: I agree with that.

Hon. Mr. EULER: The tariffs are high.

Mr. SHEILS: The tariffs are high, but one can figure what one must pay with a tariff. Supposing the tariff is 25 or 30 per cent, you do not try to export unless you can beat them by your efficiency in production and so forth, but the "invisible fellow" is hard to beat.

Hon. Mr. EULER: You meet him at the border?

Mr. SHEILS: Yes. You do not know you have met him until your agent in the United States says, "Where is that shipment you were sending me?" and you find that it is still at Buffalo.

Hon. Mr. CRERAR: I admit it is academic, but if it were possible to reach an arrangement with the United States for twenty-five years for a complete free exchange of the products of either country with the other, would that be a good thing for Canada?

Mr. SHEILS: In my opinion it would not, sir. I think it would completely destroy great segments of the Canadian manufacturing industry, and that we would lose a great deal of our identity and autonomy as a country.

Hon. Mr. CRERAR: Would that be due to the fact that you do not think that Canadian skills are less than American skills, but—