

MINUTES OF EVIDENCE

THE SENATE

OTTAWA, Tuesday, April 28, 1953.

The Standing Committee on Canadian Trade Relations which was empowered to inquire into and report upon the development of trade between countries signatory to the North Atlantic Treaty, and with other countries of the free world, met this day at 10:30 a.m.

Hon. Mr. McLEAN in the Chair.

The CHAIRMAN: Honourable senators, I will call the meeting to order. This is the fifth meeting of the Canadian Trade Relations Committee since reference was made to us of a resolution introduced in the Senate on February 12 and, after considerable debate, was passed, and referred to us on February 26. I do not think we need to read the resolution again as I am sure we are all familiar with it.

We are highly honoured this morning to have with us representatives from the Canadian Manufacturers' Association:

Mr. G. K. Sheils, President; Mr. J. D. Ferguson, Vice-President; Mr. Hugh Crombie, Past President; Mr. W. K. Leach, Chairman, Commercial Intelligence Committee; Mr. H. W. Macdonnell, Manager of Legal Department; Mr. T. M. Kerruish, Manager of Commercial Intelligence Department; Mr. Richard Lang, Assistant Manager of Tariff Department; Mr. W. D. H. Frechette, Assistant Manager of Commercial Intelligence Department; Mr. C. Willis George, Ottawa Representative.

I understand that Mr. Sheils, the President of the Association, is to present a brief on behalf of his group, and this will be followed by a discussion. Would you please come forward, Mr. Sheils?

Mr. G. K. SHEILS, President, Canadian Manufacturers' Association: Mr. Chairman and gentlemen, it is an honour and a privilege for the Canadian Manufacturers' Association to appear before your committee, and we trust that the brief which we have to present will add a little to the knowledge which I know you already have on this very worthwhile subject.

Canada's economy is built so largely on world trade that the greatest importance must be attached to the study of efforts to achieve greater freedom in the international exchange of goods and, at the same time, to reduce our dependence upon it and our consequent vulnerability to its fluctuations. Had it not been for the rising volume of our sales abroad, history would certainly not have brought this country to the degree of industrialization and prosperity which it enjoys today as the world's third largest trading nation. The fact that we, a nation with only two-thirds of one per cent of the world's population, have reached the status of the sixth largest industrial producer in the world, is not only a reflection of our wealth of natural resources but also owes much to the human resources of enterprise, energy and foresight which enabled Canadians to develop wisely, produce efficiently, and to sell successfully beyond the bounds of a limited domestic market.

The advantages of exporting the marginal products of industry are well known but, in Canada's case, it has proved necessary in the past and, indeed, for the foreseeable future, that a large proportion of production should be exported in order to enjoy the advantages of most efficient industrial methods. Canada has developed largely on her ability to produce cheaply the bulk products of farms, fisheries, forests, and mines, and the prosperity of our population