

This may happen. To some degree, perhaps, it is already happening. But, as the Canadian Minister of the Crown most directly concerned with trade policy, may I be permitted to make a few observations. There is nothing to be gained and a great deal to be lost if a defeatist attitude is adopted towards the dollar problem. It is all too easy to say that the problem is insoluble, that the United States will not play the game according to the rules. I do not know whether she will or not, but what I do know is that it cannot be taken for granted that the protectionists will prevail.

"Trade not aid" has many friends in the United States. After all, it is a slogan that might have been invented by an economy-minded American rather than by my good friend Rab Butler. I sometimes wonder, indeed why the Chancellor did not arrange to have the phrase "planted" somewhere in the United States, so that it might be accepted more readily as good, honest, American horse-sense. Those Americans who believe in "trade not aid" are working hard, and on the whole, it seems to me, with some success. They suffer setbacks but who of us working for sensible trade policies has not suffered such setbacks, has not had to concede defeat at some point along the way?

I am not entering an apology for American trade policy. On the contrary, I spend a good deal of time worrying about it and occasionally making protests against things Canada doesn't like. After all, the United States is Canada's biggest customer and we have more at stake than any other country. I do urge that continued efforts be made to work along with the United States. That great country has done more than anyone thought possible by generous aid to assist in the economic recovery of friendly countries. It may do better than anyone now thinks possible to promote world trade. It will not be encouraged to do the right things by suspicion and mistrust.

Whatever doubts there may be about American trade policy, Canada has stood ready, ever since the end of the war, to accept imports in payment for exports. I do not think there is any country in the world with fewer quantitative restrictions on trade or lower rates of duty. Nor have we been content merely to accept imports. We have actively sought to promote them.

This is particularly true, as some in this room know, about imports from Britain and the Sterling Area generally. A Continuing Committee on Trade, composed of officials of our two countries, meets every six months. I see here Sir Frank Lee, Permanent Secretary of the Board of Trade, who is a distinguished member of that Committee. He will tell you that when the forecasts are made of the trade balance for the succeeding period, Canadians are just as interested in seeing what can be done to enlarge Sterling Area exports to Canada as in enlarging Canadian exports to the Sterling Area. Some in this room have also been associated with various boards established, with the blessing of the Canadian Government, to encourage trade between our two countries. This very week the sixth Canadian International Trade Fair is being held in Toronto, supported by a substantial grant from the Canadian Government. It is the biggest yet. Nearly 50 per cent of the space will be occupied by non-Canadian exhibitors, 20 per cent by exhibits from the United Kingdom.