

I trust - and I say this very carefully - that I am not being unfair if I say that some of the arguments in favour of immediate recognition of Communist China seem to me to overlook, to a certain extent, the complex nature of the problem. The problem of relations with Communist China is an extraordinarily delicate one, for however much we may wish to develop an acceptable basis for relations with this increasingly important Asian state, it is by no means clear that recognition would accomplish this end. Indeed, we could contemplate that it would give rise to fresh problems.

The attitude that I commend to the House is one of prudence based on an appreciation of the realities of the situation. This Government has taken a positive attitude with respect to trade. My colleague the Minister of Trade and Commerce (Mr. Churchill) this afternoon in the House mentioned one aspect of that trade. I remind the House that in 1957 - and these figures have been presented already this session to the House - our exports to China amounted to \$1½ million. In the first eleven months of 1958 this figure rose to \$7.7 million. In the difficult question of exports by Canadian subsidiaries of United States firms, as a result of the Prime Minister's discussions with President Eisenhower in July of last year we have an understanding with the Government of the United States which aims to protect the interests of Canadian producers and provides greater scope for trade. Despite the considerations to which I referred we hope to increase our trade with China in the coming years.

Many Canadians visited China last year and that fact is responsible for increased interest in this topic. We are not unhappy that they have gone there. The reports of their impressions published in the Canadian press have been a source of information to the Canadian public. We hope that more personal contacts can be built up on the basis of these individual visits. In this way, by developing friendly relations in limited sectors, we may break down some of the political distrust which unavoidably exists between Canada - and indeed, the whole Western world - and the Peking Government.

On the specific issue of the establishment of diplomatic relations as opposed to relations confined to cultural and trade matters and the like, I realize that there are weighty considerations on both sides. As I have mentioned already, there is an opinion that friendly relations will flow from recognition. We believe that we should proceed prudently while we discover to what extent relations with Communist China can be improved. We do not see much point in extending recognition to Communist China if the result of such an act will be to put us in a position similar to that of other countries which have recognized China and then have been berated and extravagantly