

Supply—External Affairs

achieve peace among people, without regard to the differences of colour and race. That being so, I think when we are expanding aid and technical assistance we ought to give foremost consideration to raising standards within the commonwealth and giving countries within the commonwealth an opportunity to raise themselves.

They talk about Britain as a colonial power. She was a colonial power in 1914, when only 10 per cent of the people of the then empire had freedom. Today the figure is about 96 per cent. They have all grades and varieties of government, every level of economic development. I think it would be a forward step for the strengthening of the commonwealth and the cause of peace if we had set up within the commonwealth a commonwealth loan and assistance organization, financed by all the countries of the commonwealth that have achieved freedom, for the benefit of those who have become members within the last three years or so and those who will become members in the years ahead. I would like to see action taken so that the commonwealth prime ministers conferences, which after all are of the essence in binding the commonwealth together, would meet from time to time in various parts of the commonwealth—not in rotation, but with a major portion of the meetings being held in London and with meetings held from time to time in Canada, Australia, New Zealand and the other countries of the commonwealth, so that we would all get to know each other better.

Having referred to the commonwealth, Mr. Chairman, I now come to our relations with the United States. I am not going to go over the ground that was covered on the day of the tragedy. I am going to speak of the new President. All of us heard him yesterday. He is a great parliamentarian, a man who, with his forceful simplicity, was able to catch the imagination of mankind in a 25-minute speech. The Secretary of State for External Affairs referred to the continuance of the dialogue between Canada and the United States. I would have had a lot more to say on this if this debate had taken place a week or so ago. I am going to refrain from doing that on this occasion. But I do say, that the more general the dialogue and the more continuous the peregrinations in the last few months, the more accelerated the difficulties between our countries. I think that instead of this travelling back and forth, a little more diplomacy and less showmanship would be more effective. I also point out that it was said in January, 1963, that we were going to suffer because of the anti-Americanism of the government; that there would be a great withdrawal of investment funds in Canada. At no

time did the previous government complain about investment in Canada. What it said was that all investment in our country, welcome as it was, should be designed to benefit Canada's destiny. In other words, if investment became an immigrant into our country, it should be such that would adopt Canadianism when it reached here.

Things were going to change, Mr. Chairman; the dialogue was going to bring about tremendous results. What happened? I am not going to repeat what has been said in connection with the budget, but I am going to point out that the dominion bureau of statistics quarterly report issued on November 26 shows that capital coming into Canada through sales of Canadian securities to foreigners amounted to \$98 million in the third quarter of 1963; that is the period July, August and September. This is the period in which this government, then in office for several months, said there was going to be an investment attraction to Canada under the new diplomacy. What is the record? In the second quarter—that is, April, May and June—the amount was \$391 million. In the first quarter of 1963 it was \$410 million. In the fourth quarter of 1962 it was \$386 million, an average of about \$390 million for those three quarters. This government takes over, and there is a falling away in United States investment in our country of approximately \$300 million in a period of three months. I point this out as evidence that this government in its dialogues seems to be engaged in a monologue. I do not intend to say more, except that this followed the action of a government which was going to open a new stage of Canadian-United States relations. Yet the last three months has seen the lowest figure in a period—and here I am speaking from memory—covering some eight quarterly returns. This is something which deserves attention and it is one which places the mark of Cain on the tinkering which has gone on by this government in its relations with the United States—a kind of tinkering which is described by the government as dialogue. A withering of our investment in that manner and in that proportion spells difficulty for this nation.

Our attitude is this: Companies investing in Canada should be required to obey the laws of Canada. At the time of the Cuban crisis—and I am not going to deal with that this evening, but events have proved we were right in the attitude we took in October of 1962—the contention of the United States was that because they had decided they were not going to deal with Cuba, we could not deal with Cuba in non-strategic materials. We took the stand that Canada would determine its own policies without direction. In so far