

we have not been following them with sufficient closeness of attention, and that this is part of our problem. European developments have overtaken our concern, interest and awareness and it is only belatedly that the minister and his colleague, the Minister of Industry, Trade and Commerce, have rushed in to make a late assessment of what is going on. We have been far too late in showing sufficient attention to this tremendously important development on the world scene. I believe many in Europe in the chanceries of power and those whom they govern have been wondering in recent months if Canada's seeming playing down of its military and political interest in Europe was being accompanied by a downgrading of its concern for economic developments in Europe. Of course the minister is right in pointing out, as he says he did, the dangers of trade polarization, and it is high time that we became concerned and awakened to the dangers of this situation.

● (2:20 p.m.)

I read with interest the minister's statement on developments in respect of intra-German affairs and relations and developments between the Federal German Republic and Poland and the Soviet Union. I agree with him that for too long there has been in Europe a sterile confrontation on these very important matters. The world and certainly the German people have too long rested with a situation which surely was but an ad hoc arrangement after the end of a war.

While I welcome the events, the talks between Warsaw and Bonn and between Moscow and Bonn, I think we still have to look with clarity and concern at the situation in Berlin which I believe remains today, as it has stood for many years, one of the focal points of all the tension confrontations in the world in so far as diplomatic, political and military concerns may be appraised. We dare not forget Berlin. It is still an area of vital concern, still an area of potential danger, and the dangers are of explosive capacities. I notice that the minister, it seemed to me, gave a little lecture to some of the Europeans that they should not be too negative about the prospects of conciliation. I ask myself, does distance enhance our capacity for self-righteousness in these matters?

With the minister's reference to the colloquium on oil spills I find no fault. I go along with him completely and slide into agreement with him on that.

I notice there is no word in this document about Greece and nary a mention of Portugal. I wonder. Another problem which surely should concern NATO and Canada as a member of NATO is Cyprus, and there is not a word about that. For how many years do the United Nations and the world plan merely to retain the status quo in Cyprus? When are we to move toward mediation of that problem? Is it to be forever a military holding operation?

Finally, Mr. Speaker, because I respect the tradition that these statements be brief and because I did not have a copy of the minister's statement until a minute or two ago, I will close my remarks by echoing with sincerity and heartiness the minister's reference to Mr. James

External Affairs

Cross whose courage, whose dignity and, indeed, whose charm under tremendous stress and strain have earned for him the eternal respect and affection of all the people of this country.

Some hon. Members: Hear, hear!

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the hon. member for Hillsborough (Mr. Macquarrie) seemed to be unhappy about having received a copy of the minister's statement somewhat late. I can tell him he is lucky that it was not sent to him by mail.

I welcome the Secretary of State for External Affairs (Mr. Sharp) back to the House; we always miss him when he is away. His statement to the House deals mainly with two matters, the first of which concerns the problems that arise out of the enlargement of the European Economic Community. I must say that his statement does not give us very much information. This government has been completely ignoring for the last eight or nine years the fact that Great Britain and the other members of EFTA were moving steadily toward some relationship with the European Common Market, either as full-fledged members or as associate members. It is only in recent months that the government has become aware of what this could do to Canadian trade, particularly to Canadian agriculture.

When we recognize that side by side with the enlargement of the European Economic Community we now have a very strong protectionist element gaining control in the United States, we see the distinct possibility that Canada could become completely isolated or absorbed into the United States economy. At the present time the U.S. Congress is concerned with the trade act which would put very heavy tariffs against the import of certain commodities and which contains a trigger clause that would allow the President to apply additional tariffs at any time. The United States Congress is now discussing the setting up of a corporation which would rebate to companies exporting goods all the taxes they have paid, thus subsidizing the export of goods. This, of course, would make it quite possible for the Americans to enjoy a very advantageous competitive position in shipping into the Canadian market.

I hope we are going to have a definitive statement from the government fairly soon as to what position the government is going to take. It is all very well for the minister to come here and tell us, as he did today, that Canada intends to take increasing advantage of the enlarged EEC as a major market not only for our raw and semi-processed materials but also for the finished products of our secondary industries. But how?

Mr. Sharp: By selling.

Mr. Douglas (Nanaimo-Cowichan-The Islands): What position will the government take with reference to the quotas and the tariffs that will be imposed not only by the present European Common Market but those which will be applied if and when Great Britain and the other