

HOUSE OF COMMONS

Thursday, July 10, 1958

The house met at 2.30 p.m.

TRADE

REQUEST FOR CLARIFICATION OF JOINT PRESS STATEMENT

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): I should like to ask the Prime Minister a question arising out of the press statement issued in the name of himself and the President of the United States yesterday evening, which is as follows:

The Canadian and United States governments have given consideration to situations where the export policies and laws of the two countries may not be in complete harmony. It has been agreed that in these cases there will be full consultation between the two governments with a view to finding through appropriate procedures satisfactory solutions to concrete problems as they arise.

I should like to ask the Prime Minister whether he can clarify the meaning of those sentences, dealing with such an important matter, in the light of the statement issued by the Minister of Finance at the same time on the same subject which reads—

Mr. Fleming (Eglinton): On a point of privilege, before my friend goes on I may say that I did not issue any press statement, so my friend should not be reading anything attributed to me under such a heading.

Mr. Pearson: The statement was attributed to my hon. friend by the press officer appointed by the government to hold a press conference. The press officer said that the following statement had been issued by the Minister of Finance:

The intention is that Canadian law and Canadian law alone is to prevail over persons or corporations carrying on business in Canada.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, it would not be appropriate today to go into any detail. At the conclusion of the consultations with the President of the United States a statement will be made, and I hope that can be done tomorrow. I do not intend to be drawn into any piecemeal discussion respecting any item that may have appeared in the press or with any press report whatever. The whole question will be dealt with at one time.

Suffice it to say this: that in the discussions that have up to the moment taken place,

there has been a spirit of consideration shown for each other's problems that bodes well for the future, and in particular there has been nothing in the nature, if that is what is in the mind of my hon. friend, of suggesting to the President of the United States that in regard to a matter as important as trade we should make the proposition, as suggested by the Leader of the Opposition on more than one occasion, that unless trade relations were beneficial in so far as Canada is concerned, we should threaten to withdraw or diminish in any way our defence relationships with the United States.

Mr. Pearson: On a question of privilege, the Prime Minister has attributed remarks to me which I have never made, and which he will never be able to quote as being made by me. He should either withdraw those remarks or substantiate them.

Mr. Diefenbaker: I have not the record here. I made a statement in the house the other day when I had the speech in question, and there was no suggestion of a denial on the part of my hon. friend at that time.

Mr. Speaker: The Leader of the Opposition has stated in his place that he did not make such a statement. I am sure the Prime Minister will accept that statement, just as the Leader of the Opposition will accept the statement of the Minister of Finance that he did not issue a press release.

[Later:]

Mr. Hazen Argue (Assiniboia): I wonder if I might ask the Prime Minister a supplementary question in this field. Will the government consider introducing in this house legislation that would require Canadian subsidiaries of United States companies to act in the export field in such a way as to bring advantage to Canada and not in accordance with the laws in some other country?

Mr. Diefenbaker: I do not think any legislation to that effect would be helpful in any way. I am not going into the complexities of the situation that would be created as the result of legislation to that effect, but when the report is made tomorrow I am sure the hon. gentleman will agree that Canada's subsidiaries will not in any way be interfered with in so far as entering into contracts with other countries