

This cartoon was good fun but I hope that Canadians are not misled by the idea that Canada is away out in front of the parade, isolated in her virtuous adherence to liberal trading principles. This is not so. From time to time Canada has assumed leadership and I think we were right to do so, for no other country has as much to gain, as this country, from increased international trade. I hope we shall always be well to the front in this endeavour. But, we are by no means alone. Indeed, it is my view that the cause of freer international trade has gained many adherents in recent years and is today stronger than ever in the world as a whole.

This may seem a paradoxical statement in view of the difficulties that were encountered at the recent GATT session and by evidences of restrictionism in many countries. I am not unaware of these facts. They pass over my desk every working day. I have frequently to protest against restrictions maintained or imposed against Canadian exports by other countries.

On the whole, however, I am more impressed by the gains than by the losses. The free world made a bold effort at the end of the war to reconstruct world trade on a sound basis, through the General Agreement on Tariffs and Trade. When we remember the trade chaos of prewar years, the GATT was indeed an ambitious venture.

There are some who would argue that the GATT attempted too much. Perhaps it did. But I am glad the effort was made. All countries may not have lived up fully to their GATT obligations. Moreover, the dollar shortage provided an escape for countries from the obligations they had assumed to remove quantitative restrictions and to avoid discrimination.

Now that dollar shortages are fast disappearing and competition is re-asserting itself on a world-wide scale, the GATT is, in a sense, getting its first test. And the evidence suggests to me that it is standing up pretty well. The member countries are not resorting on a broad scale to their rights to withdraw tariff concessions granted in the postwar period. Quantitative restrictions and discrimination are, in fact, being removed by countries as they get out of dollar difficulties, perhaps not as quickly as we would wish, but nevertheless they are being removed fairly steadily.

As you know, I have just returned from a goodwill trip to Australia and New Zealand. It was not specifically a trade mission. I was not trying to persuade the Australians and the New Zealanders to buy anything or to sell anything. I went primarily to re-establish old friendships. I tried to carry with me some expression of that feeling which I know is felt by most Canadians for the Australians and the New Zealanders.

There were, of course, many opportunities to discuss trade problems and I did not fail to take advantage of them, for I believe that as these two sister Dominions of the Commonwealth grow and develop, and as Canada grows and develops, trade will also grow and develop between us. It was particularly gratifying for me to see the progress that is being made in Both Australia and New Zealand in dismantling restrictions imposed for balance of payments reasons.

This is a diversion from my main theme, but it does illustrate the progress that is being made towards greater freedom of trade. I am convinced that in most of the principal trading countries there is today a strong bias in favour of the kind of