

While it has not yet been made clear exactly what steps the United States has in mind to alleviate the situation, I am sure that other contracting parties will have been pleased and encouraged by the undertaking which Mr. Dillon gave in the very constructive speech which he delivered yesterday. Canada will certainly be prepared to participate fully in the projected multilateral discussions of this problem. In our view it is a problem of great importance.

May I turn now to certain other matters on the agenda of this Conference. Arrangements are to be made for a series of consultations on balance-of-payments import restrictions. Canada has been particularly affected by the continued maintenance of import restrictions in many of our traditional markets. We are convinced that the early removal of discriminatory restrictions by countries still maintaining them would be the greatest single immediate contribution that could be made to the expansion of world trade. Last month the United Kingdom announced the removal of restrictions on a wide range of important products, including a host of manufactured goods, and undertook, all being well, to dismantle restrictions on yet more goods next year. We have warmly welcomed these far-reaching decisions which when fully implemented, will again make the United Kingdom market among the freest in the world. These constructive measures together with similar moves for relaxation of restrictions by Australia and certain other countries set an example which we hope others will soon follow.

May I refer now to the question of the German import restrictions, which is on our agenda for this Session. Germany is no longer in balance-of-payments difficulties but still maintains discriminatory import controls on many important goods, both industrial and agricultural. Many contracting parties are concerned about these German restrictions, both on grounds of the present or potential effect on their own trade with Germany, and also because of the broad implications that the maintenance of these restrictions has for the whole fabric of multilateral trade.

Dr. Luebke, the Minister of Agriculture for Germany, pointed out quite correctly that Germany is a large importer of agricultural products from the dollar area. We are very much aware of the importance of the German market and of the close and valuable trading relations between us. Canada benefits greatly from these relationships. Similarly, Germany has a valuable and impressive stake in the open and rapidly expanding Canadian market, and we have welcomed the remarkable increase in German exports to our country. I should make it clear, however, that in considering this matter within GATT, we are not so much concerned with the question of the present volume of trade with Germany as with the question of the terms of access which we accord each other both now and in the future. Under GATT, there should be full equality and reciprocity of treatment among all GATT partners. We recognize fully that Germany, like many other countries, may have certain compelling