

Report on Canada-U.S. Meeting

Canada has reduced its tariffs under the Kennedy round. Did the Canadian government representatives ask for any *quid pro quo*? Is the United States prepared to make commensurate reductions in their tariffs to meet the reductions which the Canadians made? On the contrary, this communiqué points out that the Americans now are hinting to the Canadian government that they propose to take some action to stop the volume of textiles which are entering the United States market. About this the communiqué says absolutely nothing.

I hope that when we get statements from the government in the future they will give us some information, rather than reading like a telephone directory that has been sent over from Washington.

[Translation]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I thank the Secretary of State for External Affairs (Mr. Sharp) who had the text of the communiqué delivered to us in good time and in good French, although there are some sentences that we cannot easily understand since the communiqué itself is very short and—

Mr. Stanley Knowles (Winnipeg North Centre): It is the same in English.

Mr. Rondeau: Yes, it is the same in English, and we are not told much.

The purpose of that meeting was mainly to find new trade opportunities between the countries concerned and to develop world trade. We trust that the ministers have made arrangements that will be profitable to Canada, although this morning's communiqué does not provide us with clear and precise information as to the future of our international trade.

We are rather inclined to believe that the meetings held recently, mention of which is made in the press release, were mainly attempting to adjust the Canadian economy according to the wishes of the United States. In my opinion, this communiqué outlines the problems of Canada-United States trade as well as world trade but suggests no solution.

On page 2 of the release, paragraph 5 deals among other matters with a question not pertaining to international trade but which was studied by this committee, namely inflation. It concerns everybody, I agree, but it is a Canadian problem which we could solve without taking into consideration what the

[Mr. Douglas (Nanaimo-Cowichan-The Islands).]

other countries we are dealing with do or think. Here is what is said:

The Committee agreed that inflation and the need to cool their overheated economies were serious problems facing both countries.

Now, Mr. Speaker, a hope is expressed. No reference is made to a solution to the problem of inflation, but the fact is deplored that Canada and other countries are experiencing inflation and that they must act so as to cool their overheated economies.

Mr. Speaker, over heated economies are like an overheated soup which sticks to the pan and has a burnt smell. The communiqué did not offer any unusual solution to the problem of trade with other countries.

The Governor of the Bank of Canada, who has just authorized the Bank of Canada to increase interest rates in the country,—one of the main causes of inflation—was one of those who believed that Canada was faced with inflation. On the other hand, he did not say to the trade committee which met in Washington to study our inflationary problems, that he would take measures to lower our interest rate.

Before closing, Mr. Speaker, I should like to say that we must look into our world trade problems, and from inside the country first. If we are unable to cope with our economic and commercial problems, how can we send a Canadian delegation to Washington or elsewhere with proposals and suggestions to solve trade problems throughout the world?

I am all for giving suggestions to other countries, but the best thing for Canada to do would be to show them the way by a fine management of her own trade affairs. Then, we could say: This is what we have done at home. Here are the solutions we have decided upon, and followed, and here are the results.

Mr. Speaker, we have considered those problems, and now this morning, a statement is made which offers no solution insofar as the future of our trade is concerned.

● (11:40 a.m.)

[English]

Mr. Speaker: Order, please. Before we resume the business of the house I feel it is my duty to remind hon. members once again of Standing Order 15(3) which specifies that—

—a Minister of the Crown may make an announcement or statement of government policy. Any such announcement or statement should be limited to facts which it is deemed necessary to make known to the house and should not be