

*Tariff Negotiations*

of Canada. My hope is that in whatever action is taken we will maintain to the largest degree possible our preferences within the commonwealth, those preferences having meant so much to our country. The United States throughout has desired to remove those preferences. I know we had discussions in this regard during the so-called dialogues that took place between our government and the government of the United States; but we took the stand, and we still do, that the commonwealth has something to offer, and that there should not be a sacrifice of those preferences because of the desire of other countries to bring about such changes.

Mention was made of agriculture, and I would think this is going to be a very difficult field. One has only to look at the events of the last few days to realize what the situation is in the European community. There were many who claimed that we should try to secure associate membership in the European community but, sir, you do not hear so much about that now.

We find there is grave disagreement among the nations of that community, and in particular with reference to agriculture. I would like very much, and I am sure the house would also like, to have the opportunity to hear the minister explain what the result will be to Canada's markets for wheat in the event that the plan proposed by Mr. Sicco Mansholt, vice president of agriculture for the common market, were carried into effect. The other day he suggested that the common market should have uniform grain prices. That means the uniform grain price in West Germany, France, Italy, Belgium, The Netherlands and Luxembourg would be \$100 a ton. I have not worked this out, but mental arithmetic leads me to believe it would be about \$2.90 a bushel, which would be 9 per cent above the current price in France, the community's chief producer of wheat.

If this plan is accepted it means a large increase in France's production of wheat. It is actually all important to wheat production, and I am sure this is something that will command the attention and consideration of the Canadian government. In endeavouring to bring about extension in trade I hope there will be no sacrifice of Canadian agricultural interests because of the action of the European common market.

It is difficult to follow the minister in the detail which he has given. No advance notice was given that there would be a statement in this regard, but I thought I ought to make these observations:

- Having consistently advanced multilateral trade during the period we were in office, we support the action now outlined.

- We are pleased to find that the old idea of linear and across the board cuts has now been departed from.

- In connection with agriculture we hope the European common market's initiative, which I mentioned a moment ago, will be watched carefully throughout and that our markets on continental Europe shall not thereby be sacrificed.

**Mr. Reid Scott (Danforth):** Mr. Speaker, on behalf of the New Democratic party I want to thank the minister for his statement, of which he has given us notice from day to day in the past. We knew the statement was coming and were eagerly awaiting it. Those of us who are interested in this field have had so many communications from business and agricultural communities across the country that I for one realize we really cannot deal with this matter adequately on a statement on motions. The issues the minister has raised and the implications of this policy upon the whole Canadian economy are so great that I would earnestly suggest that some time in the new year the minister try to arrange a general debate on this subject; because the matters raised in this statement are far too complex and difficult to deal with at this stage, although we can make some general observations.

I would urge the minister to try to arrange a convenient time at which this matter could be more thoroughly explored. I am sorry, for example, that the minister has not said anything about the implications to the whole program of the French position. Those of us who were on the recent trip to Europe were very impressed by the apparent determination of the French government to torpedo these talks. None of us yet knows the effect of President Kennedy's death upon the whole proposal that is now before us. There are signs in statements now emanating from officials in Washington which seem to indicate that some of these people are having second thoughts about this particular program. I hope the minister will be able to give us some information on this score.

But I come back to the main complaint we have been making from the beginning in regard to the whole Kennedy tariff negotiations. We still do not feel that the government is taking the country into its confidence. The minister has spoken about the desire to enlarge export opportunities, but there is still no clear indication from this government as to where it is going with respect to the concessions it intends to make and how these concessions are going to affect the Canadian economy. I suppose the business community from coast to coast is still in a quandary wanting to know whose ox is going to be gored in these negotiations and what