

To face facts, Hungary is very poor in natural resources, except for bauxite. Most raw materials have to be imported from the U.S.S.R. Hungary suffers a perennial shortage of convertible currency. And, of course, European suppliers—East and West alike—are much closer than we are. Further, negotiations with the officials of the Ministry of Foreign Trade have been, in the past, often lengthy, to say the least, before any transactions have been actually completed.

It is to be hoped that both we and the Hungarians look upon the Canadian visit as tangible evidence that something must be done about speeding up development of trade between the two countries and increasing the volume. So, present trade prospects should be assessed with an appropriate amount of enthusiasm and also in the light of Hungary's own economic plans.

Briefly, here is the background to recent Canada-Hungary trade. In 1968 Hungary began a policy of economic decentralization—very like that of Czechoslovakia, but not quite as far-reaching and, therefore, not quite as provocative to Russia. Under this plan the state continues to allocate resources and to set priorities through five-year plans. Now individual enterprises decide what and how to produce on the basis of profitability. Since 1968 growth of industrial production has been slow, however, for two reasons. First, there was a sudden and unexpected increase in industrial development. Second, there was an excessive demand for imports because of floods and drought.

At present, trade both ways between Canada and Hungary, exports and imports, is running at about \$10 million annually each way. Honourable senators will realize quickly that this is not a very impressive amount, but a bilateral trade agreement was signed between Canada and Hungary on January 18 of last year—that is, in 1972. So it remains to be seen how much effect it will have on commerce between our two countries. Members of this house will, I am sure, like the members of our delegation, wish those engaged in this trade the greatest possible success.

Honourable senators, while the trade relations between our two countries are important to both sides, I think it fair to say that the flow of people is equally important, if not more important, and in this regard Canada has enjoyed much the better of the exchange. There have been six major periods of immigration into Canada from Hungary. The first was in 1848 after Hungary's own war of independence. The two most recent were those following World War II and in 1956. In 1901 there were only 1,500 Hungarians living in Canada and now there are nearly 150,000.

The Hungarian, in my opinion, is one of our most valued immigrants. Hungarians do not band together as ethnic groups capable of acting, and being treated, as pressure groups. Their background and their reasons, public and

personal, for coming to this country have been far too varied and mixed to encourage cohesiveness.

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The average Hungarian establishes himself as an individual and becomes Canadianized, while at the same time he brings along his own traditions and culture to enrich the lives of those of us already resident here. Indeed, Canadian life has benefited enormously from the immigration of Hungarians. For example, almost all of the nearly 40,000 Hungarians who entered Canada about 1956 were possessed of professional qualifications acceptable here. As a consequence, they were rapidly absorbed into the Canadian community.

Canadian cultural life is studded with the names of former Hungarians: in music, Bartok, and Lazlo Gati, who founded the Montreal Chamber Orchestra; in art, Nicholas Hornyansky, the painter and printer; in sculpture, Dora De Pedery-Hunt; in architecture, George Eber of Expo fame, who designed the "Sermon of Science" pavilion and the aquarium; and in drama, John Hirsh, a co-founder of the Manitoba Theatre Centre.

While I am mentioning names I should mention one Canadian name. I should like to acknowledge the most capable assistance of our Chargé d'Affaires in Budapest, Mr. R. B. Edmonds, who seems to have developed excellent relations with many high Hungarian government officials. I should like also to extend our sincere thanks to his charming wife.

I feel, too, that we should recognize the contribution which was made to our visit by His Excellency Janos Bartha, the Hungarian Ambassador to Canada, and his staff. They helped significantly in the preparations for our visit.

As I have mentioned, upon the arrival of our group, the Speaker of the Hungarian Parliament, Mr. Antal Apro, pointed out to us that our two countries are in a period of lessening diplomatic tension. This is true, of course. It is, therefore, a time for energetic exploration of ways to promote understanding and trade between Canada and Hungary. Not only do we in Canada sympathize with the citizens of Hungary and their problems, but perhaps they will sympathize with us and ours. But more, we two nations can together consider increased co-operation in a variety of ways which may be left to others to pursue and develop.

I look forward, therefore, to one of the results of our visit being the future development of both nations, and the right of each of us to find a place in the world scene. I hope we will do this successfully, in friendship and in peace.

Honourable senators, I thank you for your attentiveness and patience.

On motion of Senator Molgat, for Senator Welch, debate adjourned.

The Senate adjourned until Tuesday, July 10, at 8 p.m.