

Tariff Negotiations

In addition to the preparations being undertaken internationally, each participating country in the months between now and the formal opening of the negotiations next year will be developing its own negotiating position, including its assessment of benefits and the elaboration of its contribution to the bargaining in the light of its national and particular interests. As I have mentioned on a number of occasions, the government will be very anxious to have the views of all affected Canadian interests in preparing the Canadian negotiating position. However, announcement of procedures for receiving these views has been deferred until the framework of the negotiations can be outlined with more certainty, and I regret to say that it is not possible to give the necessary certainty at the moment.

Nevertheless, for many of the Canadian interests concerned there may be useful preliminary studies which can be initiated now. I know that some organizations in particular sectors of the economy have already begun such studies. The scope of the tariff reducing authority of the United States is known, as is the objective of the United States administration to use this authority to the maximum consistent with the procedures laid down in the trade expansion act and an adequate response from its trading partners, in particular the European economic community. It would be useful for industry to begin to identify and evaluate the export opportunities which may be presented in the United States and other main markets so as to be able to respond quickly and effectively when the government is in a position to consult on a more precise and specific basis. It would also be useful if at this stage exporters would advise the Department of Trade and Commerce of barriers to trade other than tariffs which may stand in the way of the expansion of their sales to particular countries.

This statement which I am making today is in part an announcement to the business community, as well of course as to the members of the house, of the procedures we contemplate. The Department of Trade and Commerce itself has been in touch with exporters generally. Indeed, within the next few days I expect to have some informal discussions with leading members of business communities. It is in the light of the government's assessment of the trade benefits of the prospective negotiations that consideration will be given to the concessions that may be appropriate on Canada's part.

[Mr. Sharp.]

Right Hon. J. G. Diefenbaker (Leader of the Opposition): The general purport of the remarks of the Minister of Trade and Commerce will receive the support of Her Majesty's loyal opposition. Indeed, I recall that in September of 1962 I brought before the prime ministers' conference in London the need of a world conference amongst democratic and like minded nations to the end that an arrangement could be entered into for multilateral trade. This suggestion, when made to the prime ministers' conference, was received with criticism in Canada by some of the hon. gentlemen now sitting opposite. However, in the month of October I submitted the matter to the late President Kennedy, set out in the same detail I used when I placed this matter before the prime ministers' conference. Within four days thereafter he informed me by letter, which is available to the house, that he would join with Canada in this initiative which he considered would be of major importance and beneficial to the extension of trade multilaterally throughout the world.

Mention has been made by the minister of preparations being made for the conference next May, I think it is, in Geneva. Certainly the events of the last several weeks have not been indicative of the same determination on the part of some western nations to bring about the desirable objectives of multilateral trade in the terms enunciated by the minister as seemed probable during the summer and early autumn of this year. I hope Canadian industry will react to the suggestion of the minister, and that Canadian interests as a whole will place before the minister and the government their viewpoint on this most important matter.

When we, as the government, said that across the board tariff cuts were not possible unless Canada was prepared to be sacrificed in various industrial areas, that view was ridiculed. However, today it is accepted; it is recognized, as the minister has said, that a linear cut, an across the board cut, would not bring about for Canada that degree of economic certainty to which she is entitled. As a matter of fact, with United States tariffs higher than ours, were we to make the same rate of cut the result would be very little improvement in our potential for the acquisition of markets in the United States and, on the other hand, a vast increase in the potentiality of the United States to trade in Canada.

Therefore I am sure that since the government has accepted the view that was ours, we will naturally follow the course of supporting whatever may be done in this connection. But I would point out one fact, namely that the last two or three lines in the minister's statement indicated to me that certain sacrifices might be asked for on the part