

# HOUSE OF COMMONS

Wednesday, December 9, 1970

The House met at 2 p.m.

[Translation]

## ROUTINE PROCEEDINGS

### MISCELLANEOUS ESTIMATES

First and second reports of Standing Committee on Miscellaneous Estimates, in both official languages—Mr. Leblanc (Laurier).

[Editor's Note: For text of above reports, see today's Votes and Proceedings.]

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[English]

### EXTERNAL AFFAIRS

#### REPORT BY MINISTER ON VISIT TO EUROPE

**Hon. Mitchell Sharp (Secretary of State for External Affairs):** Mr. Speaker, I have just returned from a round of important discussions in Europe. These included talks with government leaders in Britain, Belgium and The Netherlands, with senior officers of the European Economic Community and participation in the December NATO ministerial meeting. I took advantage of the NATO meeting to have a further talk with Mr. Schumann, the French Foreign Minister.

On this occasion I should like to report to the House particularly on western Europe, where events are moving so rapidly.

The six nations that today make up the Common Market are expected soon to be joined by another four. Varying forms of association will bind other European countries to the Community. Preferential arrangements have been and will be made for a number of Mediterranean countries and some developing countries in Africa.

The mood in Europe is one of buoyancy and confidence. The horizons of the Common Market are broadening at a time when the will to bring about a deepening of the relationships within it is increasing.

The government has been following these developments with the closest attention for some time. The Minister of Industry, Trade and Commerce has recently tabled in the House a paper outlining their implications for Canada in the light of his own findings in European capitals. I made it the main purpose of my bilateral talks with the governments I visited and with the Community to emphasize certain concerns that Canada has in the face of these developments. My first concern was with the disruption and shifts in Canada's trading patterns which would necessarily arise from Britain joining the Common Market. The second was to make the Community and individual members aware that Canada intends to take increasing advantage of the enlarged

EEC as a major market not only for our raw and semi-processed materials but for the finished products of our secondary industries. My third purpose was to impress upon those I visited the political as well as economic dangers inherent in any tendency toward trade polarization between the United States and the European Community.

• (2:10 p.m.)

It will be recalled that the formation of the European Economic Community was accomplished by the negotiation of the Kennedy Round. At that time Europe and the world moved together in harmony in what was a most impressive advance toward freer trade. Today there is little evidence of this kind of harmonious relationship, indeed quite the contrary.

My discussions in Europe came as a logical consequence to the meetings we had in Ottawa two weeks ago with the senior members of the American administration, led by Secretary Rogers. The same points were made to the United States representatives here in Ottawa, to the British government in London and to those I met on the continent.

The timing of my visit to Europe was determined by the NATO December ministerial meeting. In the course of my statement there, I said that the developments in the last year suggest that we may have reached a turning point in east-west relationships in Europe. The sterile confrontation that has characterized these relationships since the end of the second world war is beginning to give way to a real effort to solve many of the intractable problems presented by the division of Europe. Interlocking negotiations with the Soviet Union are taking place on a broad front.

There can be no doubt that the conclusion of the treaties between the Federal Republic of Germany and the Soviet Union and Poland constitute progress. These are historic developments that could make a major contribution to a healthier situation in central Europe. The resumption of intra-German talks is another encouraging move even though these talks are beset with difficulties. The question remains, however, whether the Moscow and Warsaw treaties—as yet unratified—in themselves constitute sufficient progress to justify moving toward a general conference on European security in which Canada would be involved.

There was virtually unanimous agreement that the progress to date was insufficient, largely because no satisfactory arrangement for Berlin has yet been reached. Canada concurred in this view but in my intervention I suggested the Alliance should not be negative about the conference idea. I proposed that in our communiqué we note the useful negotiations currently under way, indicate our satisfaction that some progress had been