

signing of an agreement. Its success will depend on industry, the ambition of Canadian businessmen and technocrats, and the encouragement of the government in taking full advantage of the open door and the opportunities offered to us at this time. I hope the government will continue to take the lead in this regard and provide constant encouragement for these interests to take full advantage of the opportunity afforded to them.

I wish to deal with one other part of the statement. The statement deals with vague generalities. The minister spoke of his dealings and talks with ministers of the Federal Republic of Germany concerning the European Common Market and Canadian policies. I am sure they were in doubt about such policies because we in the Parliament of Canada are also in doubt.

We hope that at an early opportunity the minister will avail himself of the opportunity on motions to deal in some detail not only with the government's policies and programs with regard to the European Common Market but also the equally important subject of the government's position and progress toward freer international trade. This must be a complex problem as far as other nations are concerned in their dealings with Canada. In some areas we seem perfectly willing to progress rapidly toward a freer exchange of goods, but in other areas we are loath to reduce any tariff or non-tariff barriers in order to move toward a free exchange of goods between countries. The minister and the government should provide an opportunity for a full debate so that the opposition and the people of Canada will know to what degree the government's policy is directed toward free trade, whether it is a policy of selective free trade, progressive free trade or complete free trade. We in this country as well as the countries of the European Economic Community would like to know what the government's policy is in this regard.

The opposition welcomes the agreement that has been signed. This is real progress. We can learn much from the Federal Republic of Germany. We can gain much from its economic, industrial and technical know-how. I hope that country will find it equally lucrative to visit Canada.

**Mr. John Burton (Regina East):** Mr. Speaker, I am sure that all hon. members always welcome reports of initiatives taken by the minister and his department in carrying on exchanges and discussions with responsible officials of other countries in an attempt to improve our economic relationships with those countries. These are certainly to be welcomed and encouraged. However, it should be pointed out that such initiatives will only achieve adequate results if they are cast within a proper and adequately thought-out policy framework, if, indeed, the objectives and the thrust of such initiatives are adequately defined. Members of this party have on many occasions pointed out to the government that we feel it has not adequately defined its policy objectives and the general thrust of its policy in encouraging trading relations with other countries.

#### *Trade Agreement with Germany*

One point that should also be noted is that, while I have no doubt that the 28 leading businessmen who accompanied the minister to Germany were all very well qualified in their own fields, I think it is to be regretted that representatives of the labour movement and of the agricultural industry were not included in the delegation. Representatives of these two groups could have added significantly to the usefulness of the mission.

I believe we will all agree that the signing of an agreement such as that described by the minister is useful and to be encouraged. However, by itself the agreement does not accomplish the objectives we would hope to achieve. Again, it is a matter of casting such agreements within a properly defined policy framework.

In addition, we should take note of the minister's statement that during the discussions with the German government and German businessmen he encouraged them to step up their interest in the development of industry in Canada and in the purchase of basic food and material requirements from Canada. Two points arise in this regard. First, what are the implications of the phrase "development of industry in Canada"? Does it simply mean we shall be obtaining more capital from Germany in future rather than from another country, or will such a move be properly related to whatever policy announcement the government may make with respect to foreign ownership of Canadian industries? Again, with respect to material requirements I notice the minister did not use the term "raw material requirements" though it seemed to me that the tone of his statement pointed in that direction. Everyone will agree that there is a need to encourage the export of agricultural and food products to Germany as well as to other countries in western Europe.

The minister also told us that discussions were held concerning world trading problems and prospects. It is, of course, essential and important to discuss this matter with other countries at every opportunity. The tone of the minister's statement certainly indicated the concern he now feels about the problems which are arising in consequence of the new developments in the European Economic Community. I believe we will agree with the minister that we should move toward a freer world trading environment, but I am sure the minister would also agree that there are many roadblocks in the way of achieving such an environment. Indeed, it is quite possible that such an environment may not be achieved by Canada and by other countries interested in such an objective. It is therefore essential that the government should have open to it alternative policy approaches designed to deal with possible problems that will arise in the future.

A good deal of publicity has been given in recent weeks to the development of world trading blocs and the problems which this is likely to create for countries such as Canada. The minister should be encouraged and, indeed, urged to deal with this situation and develop the approach of the department and of the government in this respect.

I also noted the minister's comment that it would indeed be welcome if the EEC countries and applicants