

of the problems, but in each case it says that consideration will be given at the next meeting.

Another important gathering, a commonwealth conference, took place in Montreal at the end of September. It was hailed, according to the *Financial Times* of Montreal, as a great conference to discuss problems of mutual interest "to an expanding commonwealth in an expanding world". At its conclusion it was described in Lord Beaverbrook's *Express* as the "saddest imperial conference that ever took place". I must admit that my knowledge of previous conferences is not wide enough for me to compare results, but whether or not the September conference was as fruitless as the *Express* implies I think it is and will continue to be a good thing for representatives of the different commonwealth countries to get together periodically and discuss problems of mutual interest. Even if the problems discussed at Montreal were not solved, I am sure that the representatives of commonwealth countries got to know one another better as individuals and came away with a better understanding of their mutual problems and of the specific problems of each country. I thought, however, that our Government was going a little too far in claiming that the lifting of certain British import restrictions was a direct result of this conference. If the Government wants to take satisfaction for that I will not stand in its way, but it seems to me that the withdrawing of these import restrictions had been decided by the British Government long before the delegates ever came to Canada and that it was merely the announcement that was made in Canada.

The Government also gives credit to this commonwealth conference for the introduction of so-called convertibility by the United Kingdom. In that claim, honourable senators, again I feel the Government is going just a little too far. The Canadian Government was no party to the arrangement for bringing about convertibility. The fact is that the convertibility which has been announced is not general convertibility, but only external convertibility, which had been in effect for some considerable time. This external convertibility is hailed by our Government as an intention on the part of the countries of western Europe to ease currency restrictions so that they can buy more of our goods. The difficulty that Canadian manufacturers and producers have in selling their goods abroad is due not so much to the currency restrictions as to the import quotas on a large variety of the goods which Canadians produce. If Canadian exporters are not to be disappointed, the official announcement will have little effect unless the British and

the other European countries are prepared to do away with their import quotas. It is the import quotas which are the biggest trade barriers that our exporters have to hurdle.

Honourable senators, there is just one other matter I would like to mention briefly. I refer to the legislation which this Government introduced last session with respect to our trade. These bills were definitely restrictive trade measures, similar to the legislation passed by former Conservative administrations, and were the result of their high tariff policies, which invariably brought hard times to our country. The legislation passed last session did not go quite so far, but it did signify that the trade policies of the present Government are leaning in that direction. The Government seems to have forgotten something which has been repeated so often that it has become a cliché, namely, that trade is a two-way street. Our ships and trains and trucks must not only be loaded with Canadian products and manufactured goods destined to other countries, but must also be returning with goods produced in those countries.

At the present time practically every country in Western Europe is buying more goods from us than we are buying from them, and that applies not only to European countries but to practically every country in the world, with the exception of the United States. I have not the figures from 1958, but I have figures for the full calendar year of 1957, which I took from an editorial in the *Toronto Globe and Mail*. Without doubt they are authentic. In the year 1957 we sold to Britain \$737 million worth of goods and bought from her in return goods worth \$522 million, giving us a surplus of \$215 million. To West Germany we sold \$151 million, and we purchased \$97 million from her, giving us a surplus of \$54 million. What about Japan? In 1957 she was our fourth best customer. We sold to her \$139 million worth of goods and purchased in return \$61 million, giving us a surplus of \$78 million. In 1957 we exported goods worth more than \$10 million to 30 different nations. With five of the nations, namely, Switzerland, India, Cuba, Columbia and Sweden, our trade practically balanced; with four nations, namely, the United States, Venezuela, Jamaica and Brazil, the balance was in their favour; and with the remaining 21 nations the balance was clearly in our favour.

Let me mention some of the countries which had an unfavourable trade with us. We sold to Italy, France, Australia and Mexico twice as much as we bought from them; to the Netherlands, Argentina, Russia and Peru three times as much; to Panama and the Philippines four times as much; to