

temporary disadvantages rather than to see the prospect of closer economic co-operation which we believe to be necessary in western Europe made impossible because the United Kingdom is unable to participate.

During the conference there were also economic and financial talks carried on by officials of the delegations represented there. They were carried on at the same time as the ministerial talks, and the reports of those discussions have been made directly to the ministers of finance. We were fortunate to have highly qualified experts at these talks, and they took an active part in them. They concerned in the main the present position and future prospects of the sterling area. The Canadian position with respect to participation in talks of this kind was, if I may say so, a little equivocal. It certainly was not the same as that of the other participating representatives, who without exception came from sterling areas. In fact our role at those talks, if I may put it that way, was that of a persistent but very friendly dollar gadfly. We made clear to the others that naturally we could not be associated with any efforts of the sterling countries to reduce imports from Canada as a dollar country, but we hoped that the balance which we admitted they must achieve could be brought about, at as high a level as possible, by increasing dollar earnings through increased exports to dollar markets, and by encouraging the inflow of capital investment from dollar sources.

Other subjects discussed at these talks were the short-term prospects for the sterling area on dollar account; forecasts of dollar earnings in the year ahead; the sterling balances, especially those of Pakistan and India, and the effect of those on the United Kingdom financial picture; the over-all as well as the dollar deficit of individual sterling area countries. These discussions were useful, and I hope will help in solving these important financial problems which face the Commonwealth countries today.

So much, then, for the Colombo conference itself. After that conference my colleague the Minister of Fisheries and I, with our officials, had an opportunity to visit a number of countries in the Far East. Wherever we visited, we attempted to discuss trade as well as political questions of mutual interest. I think honorable members will agree that in Canada there is a growing interest in the potential demand for Canadian products in the Asian market; and of course we share the great interest of the western democracies in the development of trade with Asia as a means of contributing to the growth and stability and healthy economic development of that part of the world which is so important to us. In addition, an increase in our trade with the countries of Asia would serve in our case a dual purpose. To the extent that imports into Canada from the countries of Asia could be alternative to imports otherwise made from the United States, that would assist us to balance our trade with the United States and would provide those countries of Asia with exchange for the financing of additional Canadian imports.

On this aspect of our journey I hope my colleague the Minister of Fisheries will report later in this debate in more detail. On our journey every effort was taken to explore the possibility of increasing and expanding Canadian trade with the countries visited. Without exception, wherever we went we found not only a great friendship but a lively interest in achieving that objective of greater trade. In Tokyo, for instance, we had one discussion with General MacArthur devoted exclusively to trade matters, and he expressed his great desire to do what he