

*European Communities Trade Discussions*

is coming when we shall soon have to work out our relationship with such agencies as the common market. It had been hoped that the common market would be extended to the European free trade area. Delay in that extension has resulted in those European countries outside the common market beginning to consider the establishment of another European common market. It would be a most unfortunate thing for the world, and certainly most unfortunate economically for Canada, if the development of those great trading agencies took place in a way which prejudiced the multilateral trade of a country like Canada. I know the government is very much aware of the importance and indeed the danger of that development.

It is interesting to recall, Mr. Speaker, that the European share of international trade is increasing. In 1952 United States and Canadian exports accounted for 27 per cent of all world exports, but in 1957 that had gone down to 26 per cent. The sterling area accounted for 26 per cent in 1952, and that had gone down to 23 per cent in 1957; but Europe exported 28 per cent of all goods in 1952 and 32 per cent in 1957. The increase was accounted for almost entirely by the countries of the European common market. The same situation prevails in imports. North America purchased 20 per cent of all world imports in 1952 but only 19 per cent in 1957; the sterling area 28 per cent in 1952 and only 25 per cent in 1957, while the comparable European share, confined almost entirely to countries of the common market, was 29 per cent in 1952 and 34 per cent in 1957. These figures are a graphic indication of the importance of this European economic development, and it is especially important that these developments should take place in a way which will not prejudice multilateral trade in the world.

**Mr. H. W. Herridge (Kootenay West):** Mr. Speaker, because of the great dependence of Canada on exports and the value of her external trade, these common market proposals are of first importance to our country. We support wholeheartedly the emphasis placed by the leader of the official opposition on that aspect of this question and the necessity for the full development of multilateral trade relations. However, Mr. Speaker, we hope the spirit of the words "common market" will become a reality in our multilateral trade developments in association with this common market group.

We have the word "common", meaning equality, belonging, working together; then the word "market" meaning gathering together for the purposes of trade or satisfactory exchange. Mr. Speaker, if the terms are

[Mr. Pearson.]

given effect as the result of discussions, meetings and co-operation, as evidenced by the report of the meeting the Secretary of State for External Affairs has referred to; and if we bestir ourselves in the proper spirit and purpose, these arrangements will be to our mutual advantage, and prove a worthwhile project by the results in years to come.

[Later:]

On the orders of the day:

**Mr. Erhari Regier (Burnaby-Coquitlam):** I should like to ask the Secretary of State for External Affairs whether any advances or proposals were made by spokesmen for the European common market to the effect that Canada might be invited to become a member? Or has the government of Canada, at these meetings, made any proposals to the European countries whereby Canada would offer to associate itself with the countries in the European common market? Or, failing either of these possibilities, has the department undertaken any exploratory work to investigate the possibility of Canada becoming actively associated with the members of the European common market?

**Hon. Howard C. Green (Secretary of State for External Affairs):** No, there was no such discussion, and there is nothing under way leading in the direction of Canada becoming a member.

[Later:]

On the orders of the day:

**Hon. L. B. Pearson (Leader of the Opposition):** May I ask the Minister of Trade and Commerce whether any discussions took place with the head of EURATOM on the question of supplying Canadian uranium to that international agency?

**Hon. Gordon Churchill (Minister of Trade and Commerce):** I was unable to participate in those discussions because of attendance at the agriculture committee, where the wheat board were present. However, we have kept closely in touch with the organization of EURATOM and have pressed the point with regard to the supply of uranium from Canada. We have the closest co-operation with that authority in Europe, and representatives of that authority have been closely associated with the development work going on at Chalk River, so I think our position is quite clear in respect of the possibility of supplying uranium to meet their requirements.