

Supply—Trade and Commerce

delay. The effect of the setting up of the commission, of the lack of any statement of policy by the government and the uncertainty regarding its policy has been to prevent and delay expenditures necessary for the development of that industry.

It was rather interesting to hear the minister speak today. I recall very well watching television in 1957 and seeing and hearing that wonderful announcement by the Prime Minister about the 15 per cent trade diversion from the United States to the United Kingdom. The government was going to divert imports from the United States to the United Kingdom. It was interesting to note the attention that announcement received at that time and it is very interesting today to find the minister making no direct reference to that great mission in his speech. I think the reason is obvious. It is up to the minister, of course, to exercise his judgment whether or not he should mention it but I think he had political judgment in mind when he failed to do so. That policy was completely in error, unworkable and damaging to the country.

Mr. Chevrier: It fell flat on its face.

Mr. McIlraith: Yes, it fell flat on its face.

Mr. Churchill: Like the Liberal party on June 10, 1957.

Mr. McIlraith: If I understood the minister correctly, he said in his remarks that he was ready to co-operate with all countries in removing restrictions and seeking to expand trade. As he was saying that I wondered whether he was thinking about the statement made at Mont Tremblant last year by the British chancellor when he put forward a proposal of free trade with Canada.

Mr. Pallett: What would your answer be to that proposal?

Mr. Pearson: We have answered it half a dozen times.

Mr. McIlraith: It was a rather startling proposal, something very new involving far-reaching changes. The minister spoke very correctly today about the trade with that country and claimed improvement of the United Kingdom and commonwealth markets but when this most definite proposal was made by a responsible minister of the United Kingdom government our trade minister never came into this house to discuss it at all. He never submitted his policy with regard to it. He never brought the matter forward. What is his attitude to it? He does not say and he will not say.

I respectfully submit that a proposition of that sort requires responsible treatment, consideration, attention and the establishment of a policy on the part of the government.

A commonwealth conference is to be held in September of this year but the minister does not tell the house what the attitude of the government is going to be on that very important proposal put forward by the United Kingdom authorities. Surely if we believe in the parliamentary system at all parliament is entitled to know the policy of the government on this important aspect of our foreign trade. That is particularly so in view of the fact that the present government took office, as they are so fond of saying, for the first time after 22 years in opposition.

Mr. Pallett: Twenty-two years of no policy.

Mr. McIlraith: Twenty-two years that is exactly what I was seeking to say. After 22 years with no policy on the subject the opposition came into power and they now decline to deal with the matter.

Mr. Pallett: You had better check your answer on that.

Mr. McIlraith: The hon. member for Peel has the advantage of sitting very close to the *Hansard* reporter and he puts interjections on *Hansard* which it is not always possible to hear. That one I did hear.

I was glad to hear the minister make reference today to the European common market. I hope he will develop that subject a little more because there are many people in this country who fear the direction it may take and who are anxious that the government should co-operate closely in that development to see that it does not take a trend that will be harmful or restrictive so far as the trade of the area with Canada is concerned.

I think probably the aim with respect to it is not objectionable. I am not speaking about the aim or criticizing the minister at the moment, but I wish he would inform us more fully on that subject, just what information he has as to the factors that might affect us favourably and adversely, and the attitude and actions of the government with respect to them.

Then at long last we got a statement from the minister about trade with China. I was particularly interested in that because of the many statements made by the Prime Minister, particularly during the recent election campaign, as well as other supporters of the present government. The Prime Minister's language seemed to indicate an expectation of sharply increased trade with China. I should like to ask the minister if he would clear up in a precise way the exact situation concerning the export to China of materials that might not be considered strategic, in view of the apparent confusion arising out of the attempt to get this information by a