

External Affairs

shows that there is a chance to bring about peace". I do not know whether or not he said it but in any event I do not think it makes such nonsense. I think we have to look at facts as they present themselves and to take all means at our disposal to prevent bloodshed.

The French are in a difficult position today. I was for some time in France. They are not so enthusiastic about it. Their principles are the same. As far as their material gains in Indo-China are concerned, they have been gone for a long time. It is not imperialist aims that keep them there. It is the word given to a number of people who have carried on, who have been loyal to them over the generations and who will not stand in such a good position if Ho Chi Minh wins. It is a sort of word of honour obligation under which the French have to carry on, and I do not think they are delighted to do so. I do not think that anybody should criticize the French for being awkward in joining EDC when their blood is being shed in Indo-China, when they are carrying on—and have been doing so up until now—all alone. These are all things that we ought to consider in a different and more quiet way.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

Mr. Picard: Mr. Speaker, before the dinner recess I was far from finished covering the ground with respect to the Far East but as I see that I have very little time left I think I should jump a few nations and reach the Middle East. Last year, on February 13, 1953, I gave an account to the house of the trip I had made to the Middle East and some of the conclusions I had reached then. Of course I do not want to repeat that but there is one thing I should like to repeat. It is the importance of the Arab world today, their growing influence in United Nations affairs through their solidarity, and the advisability of Canada having diplomatic missions in such nations.

I understand that some of these nations are already represented by consuls or otherwise in Ottawa, and I just want to repeat what I said last year, that Canada should not hesitate to extend its diplomatic representation in that direction. Trade with these countries is getting more and more important. I might say that I have seen there that France and Great Britain have been replaced largely by the United States and that if we had missions abroad it might help our own trade considerably.

[Mr. Picard.]

I think, as I have said before, that three missions are in order, one in Egypt, one in Israel and one in Beirut to serve Lebanon, Syria and Iraq. I might briefly tell the house of an incident that happened to me during the course of that trip. I met a German businessman who was on a two-day trip from Cairo back to Frankfurt just to check the prices that his firm had quoted on a contract and which he thought were slightly higher than those of a competitor. The Germans are getting in heavily throughout the Middle East at the moment, and I think it would be quite opportune if Canada decided to extend its diplomatic representation to the Arab countries as well as to Israel.

I know there might be many difficulties in the way. Although I think Cairo is the most important, some may think that until the situation is cleared between Egypt and Great Britain it might be better to wait. I have heard somebody say that if we go there and seem to side with the Egyptians it will not be so good for the unity of the commonwealth, and if we side with the British there is no use in going there now because it will not make us popular with the Egyptians. But one way or the other I still put this thought before the house and the government.

During the last lap of my trip I passed through Iran and I should like to give a more encouraging word of what I saw this year than was the case last year. I spoke last year of the deplorable state of affairs prevailing through the failure of Britain and Iran to come to terms. I think the situation is much more encouraging this year. I met the foreign minister, Mr. Entezam, and the finance minister, Mr. Ali Amini and the British chargé d'affaires, Mr. Dennis King. A better spirit is evident. We cannot overestimate, I think, the importance of a speedy solution of the oil problem. There is a decided improvement in the British approach and apparently a sincere desire on the part of the present government of Iran to come to terms. Each side seems prepared to consider the sensitiveness of the other and to deal tactfully in the effort to reach a compromise based, not on the sanctity of contracts no matter how unfair, as was the British attitude up until last year, nor on an arrogant and obstinate nationalism, as was Mossadegh's attitude, but based on equity and fairness and a reasonable and equitable share of the profits.

In conclusion may I repeat that the government's policy, as expressed by the Prime Minister (Mr. St. Laurent) and the Secretary of State for External Affairs (Mr. Pearson) will, I have no doubt, have the approval of the people of Canada as a policy of open-minded realists unwilling to be swayed by