

NATO—European Defence Community

Germany is one which must be assessed in relation to her great strength and her vital importance, if I may say so, to the success of the North Atlantic Treaty Organization in the defence of Europe. I only wanted to mention the West German situation as a further buttressing of the support that we intend to give to this protocol itself.

I should like to make one or two references, if I may, to our own situation with respect to the revival of West Germany. A few minutes ago I mentioned that she had undertaken, under the NATO obligation, a heavy burden with respect to financing defence. Nevertheless, it does give Germany the opportunity, as one British newspaper said, of rebuilding her army at bargain prices. It is likely that United States money will go into that, and only maintenance charges will be made against the Federal Republic of West Germany. The resurgence of West Germany economically, of course, will have repercussions in many parts of the world. It is a risk which Canada takes herself. West Germany is now selling goods to the extent of \$4 billion annually. After having seen the devastation of Germany following the last war, one wonders at the skill, imagination and initiative of that great people in being able to come back as they have. Not very long ago the London *Economist* indicated that West Germany would shortly be making a bid for the position of the third greatest trading nation in the world, following the United States and Great Britain. This means increased competition for us all. The competition which Germany will be able to provide under the North Atlantic treaty set-up, and on her own, is something that we ought to carefully consider.

These remarks and observations are not being made to weaken in any way the support that Canada may give to the admission of Germany to this protocol, but for the simple reason of seeing to it that we in Canada learn the full facts while the matter is under consideration, rather than learning about them at a later date. I think it is important that when the minister makes his reply he give the house some information as to what Canadians may expect concerning bilateral trade agreements, for instance, that may now be in effect between the Federal German Republic and East Germany. Whatever may be the outcome of our arrangements, and the arrangements with other nations, to bring West Germany into the fold of the North Atlantic Treaty Organization, we have to face one physical fact, and that is that you have a border between East and West Germany on both sides of which are German people; on both sides are people whose family

[Mr. Graydon.]

connections and business connections are well known. Perhaps on one side you have a balance of industry as against a balance of agriculture and rural communities on the other. We must remember that is not the ordinary kind of border; that is not the kind of border between two nations who have been traditionally opposed to each other. I believe, therefore, that we ought to be told by the government just what trade relationships exist between East and West Germany, and whether or not those are going to be continued if this ratification takes place.

Do not forget there is a very big market for German production in Russia, in the east and in China. For that reason I believe it is important that we know where the production of West Germany is going in the days that lie ahead. I believe it is also important, too, so to arrange our set-up in bringing West Germany in that we show them that they are on our side, that we aid them economically and that they do not have to depend on trading to the east for their sustenance and for carrying the burdens of NATO. Moreover, I think the government ought to indicate what safeguards there are. This is not meant as a reflection upon the West German people; far from it. But if that frontier between East and West Germany is to be a fluid kind of frontier, then of course the question of strategic materials coming from the free world to positions behind the iron curtain becomes a very important factor to this and other countries. I have no doubt that problem will be solved, and that it will not cause any grave complications in our relationships with West Germany or West Germany's relationships with NATO in general.

I think it is important, while we are dealing with these matters, that we have a clear conception of the practical implications of all these commitments that Canada undertakes. With the consent of parliament and with the consent of the Canadian people—let us not make any mistake about that—we are building up for Canada a huge area of commitments abroad. Frankly I may say that I do not know what else we can do if we are to try to see that peace is maintained and preserved in our time. It is a risk and it is a great burden financially; but it is a burden and a risk that were not imposed upon us by ourselves; we had no choice in the matter. We must bear that fact in mind. We have moved from one commitment internationally to another until we now have a network of obligations that is of a vast character; it is by far the most extensive and intensive network of obligations and commitments internationally that Canada has ever had, and much more than she ever dreamed of fifteen