



STATEMENTS AND SPEECHES

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No. 52/33 CANADA'S RELATIONS WITH ASIA

An address by the Prime Minister Mr. L.S. St. Laurent, delivered to the Women's Canadian Club, Victoria, B.C., September 5, 1952.

... Most Canadians realize that Canada is a Pacific as well as an Atlantic power and that if our nation is to achieve its maximum development and to maintain a maximum of security, particular attention must be given to our relations with the countries of the vast Asiatic continent which lie on the far side of the Pacific.

As with our relations with the rest of the world, Canada's activities in Asia are based on the twin principle of preservation of peace and stimulation of international trade. We Canadians like other peace-loving peoples believe that by serving the cause of peace and by working for greater interchange of commodities between nations, we are working in the interests of all men and women everywhere.

From our history books, indeed from the very first lessons in them, we Canadians have learned that Asia has had a considerable influence on the development of our country. We have read that the first contacts made by Europeans on this continent were the result of a search for a shorter route to the riches of the Orient. And our studies in history show that even after the first settlements were precariously established this quest for a westerly route to the Far East continued and contributed in no small degree to the opening up of this continent.

- Even when the true size of North America became realized and hope for finding an Oriental trade route by way of North America was abandoned, some of the explorers and fur traders sent out by their companies to the west and north to discover new sources of fur remained aware of the prospects offered by trade with the Far East. For example, Alexander Mackenzie, who almost 160 years ago was the first white man to cross the continent north of Mexico, formulated the plan of associating in one vast enterprise the fur trade of Canada and the fishing industry of Britain with the markets of China. While Mackenzie's dream of extensive Canadian trade with the Orient had to wait another 100 years to be fulfilled it presaged a development which is of great importance to Canadians today.

That is enough of our excursion into history. It shows that trade has influenced our relationship with the Far East far back in Canada's history. Now I would like to speak a few minutes on the other principle that I

mentioned which is basic to our foreign policy, that of peace. It may seem paradoxical that I will be speaking about Korea where war is currently being waged but all but a few deluded Canadians realize that our participation in the Korean conflict is in the interests of permanent peace.

Canadian forces are in Korea to resist aggression in accordance with the principles of the Charter of the United Nations. Our response to the Security Council resolution of June 27, 1950, was to supply the United Nations force with a brigade group, three destroyers, and the services of an R.C.A.F. transport squadron. While we acknowledge with gratitude the major role that the United States is playing in Korea we can at the same time take pride in both the size and the quality of our own contribution. Proportionately, it equals that of any member force of the United Nations now engaged in Korea other than the United States, and it is the third largest in actual size.

Our soldiers, sailors and airmen have remained true to the fine traditions established by their forefathers before them in the defence of freedom. And while it sometimes is dangerous to discuss personalities, may I be permitted here in what he would call his own home town to pay special tribute to the first Commander of our Korean Brigade, Brigadier John Rockingham or "Rocky", as he has become affectionately known across Canada, for his splendid services to his country.

As long as the policy of the United Nations in Korea continues to be based on a determination to hold back the aggressors from the north and at the same time to prevent the military action from bursting out into a full-fledged war, Canada will give that policy its full support, limited only by commitments elsewhere and the need for providing adequate defences at home.

We recognize that the United Nations action took on a different aspect with the intervention of China. To gain unification of the entire peninsula for the Koreans would now require such a large deployment of forces and energy that our defences against Communist aggression elsewhere in the world would be seriously weakened. More important yet, the Chinese intervention has brought the risk of the Korean action developing into a full-scale war. If that were to happen - and we pray that it won't - our purpose for intervention in Korea in the first place - to punish aggression and by so doing to prevent a global war - would be defeated. For these reasons we favour a negotiated truce along the present battle-lines provided that it can be a "peace with honour".

If a peace in Korea can be achieved that will give the South Koreans maximum security from future aggression, even though the unity of Korea may not be arranged, then the United Nations intervention will have accomplished its main aim - it will have turned back the aggressors.

The accomplishment of that aim will have been made at a great sacrifice, not only by the participants in the United Nations forces but above all by the people of South Korea who have suffered indescribable losses in terms of human life and property. History, I know will do full justice to the heroism of the South Koreans and the United Nations forces who through their sacrifices have given a

stern and bloody warning to potential aggressors of the future, a warning that unprovoked attacks will meet the resistance of not only the intended victim but of other freedom-loving nations.

The United Nations has recognized that Korea will take many years to recover from its ugly war scars and has taken action to help its recovery. By a vote of the General Assembly in December 1950, it created the United Nations Korean Reconstruction Agency charged with the physical reconstruction of Korea. Canada endorsed this action and through its government has contributed \$7,250,000 to the Agency. In addition, numerous church and private Canadian organizations are making clothing and other donations for Korean relief through the Agency. While hostilities continue in Korea, the work of the Agency is of necessity limited, but arrangements have been made for it to take over complete control of reconstruction activities within 180 days after armistice terms have been agreed upon.

Now may I say a word about Japan.

One of the most important actions of Parliament during the session now adjourned, was the ratification of the Japanese Peace Treaty which was signed at San Francisco almost a year ago. This action was in accord with Canada's interest in establishing peace and in extending world markets.

While this treaty is not a perfect one and did not fully satisfy the wishes of all the signatories, it is, nevertheless, an important one to Canadians for two main reasons.

First of all, by restoring to Japan its sovereignty and the right to prepare for its defence the treaty has given that nation an opportunity to be numbered among the free nations of the world and to make her contribution to the peace and security of the Pacific.

The Soviet veto is likely to prevent Japan from becoming a member of the United Nations for many years to come. The Treaty partially compensates for this probable obstruction. Under Article 5 Japan undertakes to settle its international disputes by peaceful means and "to give the United Nations every assistance in any action it takes in accordance with its Charter and to refrain from giving assistance to any State against which the United Nations may take preventive or enforcement action".

Admittedly, the treaty is a risk, but it is a risk based on strong indications from the Japanese people that they desire peace and have foresworn their aggressive past. Since their liberation from their war lords they have shown a healthy interest in the institutions of democracy and have adopted a representative and responsible form of government which appears to be functioning well.

The second reason for Canada's interest in the Japanese Treaty stems from the restoration of Japan's sovereignty; Japan will once more be able to guide her own commercial destiny.

Foreign trade is even more important to the economy of Japan than it is to the economy of Canada, and all Canadians realize the great importance of our export

markets to our prosperity. Japan is even more dependent on external trade than we are for unlike us she must import a high percentage of her foodstuffs, as well as most of the essential raw materials to maintain her industries. Our foreign trade is vital but we could maintain life, granted at a low standard, without it. The Japanese cannot. Deprived of trade many of the islands' 83,000,000 population would be condemned to death by starvation.

Japan has in the past been a good customer of Canada and most of her purchases have either been British Columbia products or were shipped from British Columbia ports. Last year that nation was our fourth best customer and purchased almost \$73,000,000 worth of Canadian goods. Provided that Japan can maintain a supply of dollars to make future purchases there is no reason why that trade should not continue to increase, for Japan needs the products of our mines, our forests and our grain fields to keep her industries rolling and her people fed.

Part of Japan's ability to maintain her purchases from us will depend on our willingness to buy from her now that her source of dollars gained from American occupation forces will be reduced.

In connection with our import trade with Japan, there have been suggestions in Canada recently that Japan is threatening to flood our markets with cheap goods. While Japan in the past has been accused of unfair trade practices such as dumping, there is good reason for believing that this will not be the case in the future. The preamble to the Peace Treaty which was ratified overwhelmingly by the Japanese Diet, states that it is Japan's intention "in public and private trade and commerce to conform to internationally accepted fair practices". If Japan adheres to that undertaking, I am sure that Canada will not wish to place obstacles in the way of Japanese trade.

A particular matter which we are interested in, in relation to Japan, and which those who live in British Columbia are vitally concerned about is the fisheries problem.

Canada, the United States and Japan have negotiated a Convention for the High Seas Fisheries on the North Pacific Ocean. In that Convention we have, we hope, worked out a scheme whereby certain types of fish-salmon, halibut, herring - which mean so much to the livelihood of many people who live in British Columbia will not be taken by the Japanese in the Eastern Pacific near Canadian shores. Our Marine and Fisheries Committee in the House of Commons has unanimously recommended that the House approve the Convention and we propose to submit this legislation to Parliament at its next session.

We Canadians maintain that we want to see a better standard of living for the masses of Asia and yet the protectionists among us, and they still exist, cry that we will be ruined by the competition of "cheap foreign goods" on our domestic markets, although, of course, to them, cheap foreign raw materials are quite another matter. I tell you that if we really want to see the Japanese people and the people of India, Ceylon and Pakistan and the other countries of Southeast Asia, improve their standard of living then we must be prepared to buy our

fair share of "cheap foreign goods", goods that are not dumped on our markets at prices lower than those in their country of origin, but goods produced by workers with lower living standards than Canadian workers. By accepting a share of these cheaper goods we are helping to raise the living standard of the workers who made them and by raising their living standards we are also ultimately helping ourselves for we are gaining potential customers who will be able to buy more of what we have to sell.

Apart from the trade aspect of our relations with Japan, it is also in our best interests that democracy be strengthened and sustained in that nation.

Only if this comes about will the Japanese be able, as we want them to, to develop the kind of cordial relations with the really democratic peoples of the world which are so greatly in our own long-term interest.

COLOMBO PLAN

I have left to the last what is by no means the least important of Canada's contributions to peace and to international trade in the Far East. Indeed, it may be that the Colombo Plan to which I refer, will turn out to be one of the greatest factors in keeping the people of South and Southeast Asia in the free world.

The nations of India, Pakistan, Ceylon, Burma and Indonesia have only recently won their full nationhood. In addition to their efforts in getting democracy to function in an area where self-government is still a novelty, they are confronted with the problem of improving the standard of millions of their citizens now living on a bare subsistence level.

I like to think of the Colombo Plan as "priming the pump", to use an expression of the late President Franklin D. Roosevelt when he referred to another emergency. It is hoped that the Plan will not only help to raise the living standards of the people benefiting from it but that it will also build up enough confidence in their countries to prime such a flow of foreign and domestic investments that prosperity will come to the entire southern part of Asia.

Communism is a malignancy that thrives on diseased tissues and the Colombo Plan by working to eliminate the diseased tissues of poverty and starvation is endeavouring to keep one-quarter of the world's population in the free world.

The Colombo Plan which was conceived at a meeting of foreign ministers of the Commonwealth, calls for \$5 billion to be spent in capital development in Southeast Asia in a period of six years and for the training of technicians to serve in under-developed areas.

It is not a plan which depends solely for its support on the contributions of the wealthier members for \$2 billion of the \$5 billion are to be raised internally.

Through the Consultative Committee on Economic Development of South and Southeast Asia, the Asia members are expected to assist each other with their various projects

of development. They are thus given the chance to practise international co-operation, which is a new experience to most of them because of their recently-acquired sovereignty.

In the last fiscal year Canada contributed \$25,000,000 for the capital development phase of the Colombo Plan and Parliament has voted a similar amount to be used during the current fiscal year. Expenditures under the Plan, I should add, are made only after consultation between the contributing and the receiving country.

One of the principles of the Plan is that purchases for any project agreed upon should be made from the contributing nation. This principle of course has benefited Canadian industry which has been called upon to fill the orders resulting from its operation.

The first \$25,000,000 of Canada's contribution was spent on such projects as the Mayuraski irrigation and hydro-electrical development in India, the transportation system of Bombay, and the equipment for a cement plant for the Thal River Development in Pakistan. Canada in co-operation with New Zealand and Australia contributed to the establishment of an experimental livestock farm in Pakistan. We also supplied that country with \$2,800,000 of West Coast timber for use as railway ties and finally we made a contribution to Pakistan for an aerial photographic and geological survey to assess her natural resources.

A most important feature of the Plan is its recognition of the futility of providing capital equipment to the under-developed countries without also providing the trained technicians to supervise it. Under the Plan a two-way training system has been set up. Canada has to date sent a refrigeration expert and a fishing expert to Ceylon and an entomologist to Pakistan and India to give advice on the biological control of predatory insects.

Under the technical co-operation part of the Plan Canada has offered 60 scholarships and fellowships to Asian students. Last year 50 students accepted our offer and came to our universities and schools to study a wide diversity of subjects. In addition to the students several technical missions have been sent to Canada to study such questions as highway and bridge construction, public health, hydro-electric development and public administration. It has been my great pleasure to meet the members of some of these missions, who have most favourably impressed me both by the sincerity of their concern for improving the welfare of their compatriots and by their willingness to co-operate with all members of the Plan in achieving that aim.

The Colombo Plan, aside from any economic improvement that may result, has established an understanding and co-operative spirit which we hope will have a lasting effect on the relations between the participating nations. I believe that the Pakistan Minister of Economic Affairs at the Karachi meeting of the Consultative Committee expressed clearly these non-economic benefits of the Plan when he said:

"It is becoming increasingly clear that the members of this Plan work as Members of a family, unified with the idea of helping

each other, and in the spirit of give-and-take there is no feeling of superiority attached to the giving or inferiority tainting the act of receiving".

Peace and trade, these are the foundations of our Far Eastern policy as they are of our entire foreign policy. In Korea by counter force we are trying to hold back the flood of violence which threatens to engulf all of Asia. In Japan we are working for the restoration of normal diplomatic and trade relationships. And in Southeast Asia through the instrument of the Colombo Plan not only are we trying to provide wider commercial relations, but we are also fighting another Asiatic war against Communism in the interests of peace, this time with economic rather than military weapons. We Canadians know that in the struggle against Communism there are two useful weapons, the economic and the military. While we much prefer to use the economic weapons as we are in the Colombo Plan we know that we may have no choice but to use the military weapons as we have been forced to do in Korea. And I feel sure that in the use of both these weapons we have not only the understanding and good-will of all the people of British Columbia but also their active and effective support.

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