

These are only preliminary steps, however, to the very basic new co-ordination required. The establishment and enforcement of uniform national requirements for the processing of resource exports is one pressing need. Another is for a national approach to scientific and technological innovation which will keep Canadian products marketable in the highly competitive Pacific environment.

In this competitive environment, the Committee also considers it essential that Canadian businesses receive government encouragement to export and invest abroad which is fully comparable with that provided by other countries.

Another imaginative, and well-supported, suggestion is for the formation of some kind of Canadian counterparts for the highly-successful Japanese trading corporations. These structures would provide market intelligence, negotiating facilities (including translation) and expertise and co-ordination of export production, distribution and sales. The Committee recommends that the formation of new trading structures of this kind be the first priority for discussion by the Government with the Pacific economic advisory council when such a group is formally constituted. In the meantime, the Government should conduct full studies of the types of structures in use elsewhere and the organizational alternatives available to Canada.

In the Committee's view, Canadian business groups concerned with the Pacific should also be studying actively the experience of the Canada-Japan Trade Council in Ottawa and considering the establishment of a counterpart body in Tokyo.

One field of closer co-operation which seems to have immediate potential is that of development assistance to the region's less-developed countries. The scope for co-operation is wide: through regional organizations (such as the ADB and ECAFE); through consortia and consultative groups; and through joint efforts with other medium-sized "donors" such as Australia, the Netherlands and Japan.

III CANADA'S INTEREST IN DEVELOPMENT CO-OPERATION

The Government has made it clear that development aid will be one of the main elements in Canada's future official involvement in the Pacific region. The Committee firmly supports this policy emphasis. It seems especially appropriate that Canada should very actively discharge this responsibility in the Pacific community, to balance the attractive commercial opportunities and economic benefits which it finds in the region. Through development co-operation Canada can also best utilize its national capabilities to make a constructive contribution to the long-term peace and stability of the region.

In spite of the very good reasons for expanding aid to Pacific countries, it must be recognized that Canadian aid will be limited by the scarcity of Canadian resources in relation to the size of regional needs, by continuing commitments elsewhere in the world, and by Canada's general inexperience in the area. The Committee thus considers it essential that Canada's approach to development