

Similarly, for Canada, 1962 trade will probably reach the highest levels ever recorded, and we can reasonably expect an export surplus for the second year in a row.

These results are in no small part due to increased and sustained efforts on the part of Canadian industry to respond effectively to the challenges and opportunities of world trade. They are also influenced by the terms of access for Canadian exports in our markets abroad. Our policy has been directed to consolidating these results, and to creating more favourable conditions in the face of fundamental changes on the international scene. In Britain, which is our second-largest market, a large group of our exports would be confronted with imposing barriers should her negotiations to join the European Economic Community be successful.

Canada and the EEC

We have kept the British Government fully aware of the importance we attach to this trade and, in their negotiations with The Six, they are pressing for adequate safeguards for traditional Canadian interests. In this connection, we have been assisting the British by providing the fullest details of Canadian trade interests. The Commonwealth prime ministers' conference of last September was particularly successful in that regard. We are going even further. Our efforts are also directed to ensuring the best conditions of rapid growth in our export trade in the event of a united Europe including Britain.

Regardless of the problems which may confront Canada as a result of British accession to the EEC, some of which would have evolved in any case, the world trading community is confronted with a series of problems arising mainly from the creation of the European Common Market, the aspirations of the less-developed countries for immediate economic and social progress and the chaotic situation of agriculture in international trade. A challenging opportunity for some solutions to these problems has been recently provided by promulgation of the United States Trade Expansion Act. In a letter to the President of the United States, the Prime Minister of Canada welcomed and warmly endorsed this initiative by the United States, and put forward proposals for the holding of a world conference of like-minded countries. A proposal to that effect, sponsored jointly by Canada and the United States, has been accepted by member countries of GATT, and a special ministerial meeting will be convened early in 1963. Its purpose will be to consider a programme for effective liberalization and expansion of trade. The benefits of this initiative will be shared by industrialized and under-developed countries alike.

Also of great importance to Canada in the international-trade field is the recent decision by the United Nations to convene a world trade conference early in 1964, particularly devoted to finding ways and means to increase the export income of the less-developed countries.

Undoubtedly, 1963 will be an eventful and decisive year for the free-world trading community. I am confident that, through the implementation of proposed world-wide initiatives in 1963, we will assist in a substantive