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occur overnight. In other words, what is really being aimed for is a transitional period of about eight years starting around January 1, 1980, so that the total implementation will not occur until close to the end of the next decade. So no one, or scarcely anyone I should expect, is going to be seriously affected (that is, in Canada) in the first year or so of this kind of operation. But there will be some, and therefore a part of this exercise had to be the setting-up of forms of adjustment-assistance, some manner, in which those organizations, those companies, that clearly are going to be damaged in terms of the present scheme of things would be able either to move to different kinds of products or to adjust to new competition and a variety of things of this sort. So, simultaneously with the actual negotiations, we have been, as a Federal Government, in co-operation with the provinces, seeking to "put into place" these kinds of transitional-assistance programs, built on top of, I might say, many that are already "in place". But even there, of course, it is probably overstated in some respects — that is, the impact negatively that the MTN are going to have. Because, in addition to having their equipment and their original capital "inputs" reduced in price because of a reduction of tariffs and the like, we should also expect that many of our Canadian producers would be able to reach out into a wider market than merely the Canadian domestic market. It clearly won't be possible for everyone, but here let me point out a phenomenon or a strange situation in the way the world system is evolving in which Canada finds itself.

We are one of the six or seven most highly industrialized countries in the whole world. That, I think, can be measured by any yardstick you wish to employ. But we are the only country now that has a comparatively small domestic trading-base. If you look at the developments of the past decade, it is perfectly obvious that, first of all of course, by the natural size of it, the United States has an enormous domestic base. I just happened to hear on the radio coming in from the airport that they "hit" 220 million people as of this day. We know also that the European Community has come together in what is essentially a kind of customs alliance so you have a common market there of the same or larger size. Similarly, Japan, with its large consumer demand, is in the order of 100 million people, and we have noted also in the developing world such evolving organizations as CARICOM in the Caribbean, where there is a common market emerging between all of those countries — not big, it is true, because they are sparsely populated. And Southeast Asia, which puts together perhaps another 200 million people in what will eventually be a common-market kind of trading relation. So here we have Canada, with 10 per cent, give or take a few, of the United States population and perhaps the same in relation to the European Community, as a domestic base seeking to compete in this new and highly-competitive world in which we are living. Now clearly two things, it seems to me, have certainly seemed to our negotiators to be self-evident: one, that any kind of protection leaves us highly vulnerable, as I said at the outset; secondly, that we must expand beyond our 22-million domestic market if we are going to really maximize the opportunities that the new MTN create for us. That is not going to be easy and I should not want to oversell the MTN or at the same time diminish their value. They are in many respects a "catalyst" around which we (and I mean governments and the private sector) are going to have to construct a strategy, whether one wants to call it an industrial strategy in the singular as some people are prone to do. Some people are inclined to

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