

mean not only expanded industries and more jobs but also a more productive economy and a stronger external-payments position.

It is with these considerations in mind that we in the Department of Trade and Commerce have set the 1968 export target at \$12.3 billion. This target calls for an increase in exports greater even than that achieved in 1967. Exports of automotive products are likely to show much smaller growth than the huge increase resulting from the initial beneficial impact of rationalization. The 1968 target, therefore, calls for substantially greater gains in other export categories. Next year's objective presents an exacting challenge. Yet it is a challenge which must be met if the economy is to move forward at a pace commensurate with its potentialities. The target has been accepted by the Export Advisory Council.

The Department of Trade and Commerce is endeavouring in every practical way to facilitate the realization of this objective. Trade-promotion programmes are being constantly adapted to changing market conditions. Again this year every company capable of selling in foreign markets is being asked to re-examine its export programme in relation to the national goal. The Export Advisory Council, established a year ago, is performing a particularly helpful role in scrutinizing the effectiveness of Departmental programmes from the business point of view, and also in creating improved awareness of trade needs and programmes throughout the business community. Export-financing facilities have been extended and further programmes to facilitate export development are under study.

Nor can the momentum toward freer world trade be allowed to subside. Canada, with other trading nations, is examining likely avenues for further improvement of access to international markets, including ways of bringing developing countries to fuller participation in the international trading system. Only through international specialization and closer commercial ties can the nations of the world reap the full benefits made possible by our advancing technology and growing productive capabilities. International trading arrangements must provide scope for the realization of these growing potentialities. At a ministerial meeting of the GATT in November, Canada, with the world's other trading nations, endorsed the objective of further trade liberalization. The member countries established a programme of work on outstanding trade issues designed to identify remaining barriers to trade and to put in hand the necessary preparation for further advance.

As Canada moves into its second century, the basic determinants of our economic environment are evolving with ever-increasing rapidity. Prospects for the year ahead and for ensuing years will depend more than ever upon our efficiency and our powers of adaptation in these ever-changing world conditions.

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