

expansion of Canada's Foreign Trade Service abroad, a program of training to make Canadian Trade Commissioners conversant with modern developments in industry, the establishment of area divisions in Ottawa to study and compile up-to-date trade information on Latin America, the British Empire, etc. In later years, recommendations by the Association have been instrumental in setting up the Export Credits Insurance Corporation and the British West Indies Trade Liberalization Plan.

Canadian manufacturers and exporters are particularly fortunate in being served by a Trade Commissioner Service which is second to none in the world, and the Association has had particularly cordial relationships with these officers who have made CMA offices their headquarters for over fifty years. Co-operation in the matter of foreign fairs and exhibitions, trade missions, goodwill cruises, and similar efforts has extended over a long list of important world events, not least of which has been the development of the Canadian International Trade Fair.

The Canadian Trade Index, which was first published by the Association in 1900 to promote the sale of Canadian manufactured products abroad, now has an annual circulation of 14,000 copies and is distributed to potential buyers the world over by the Trade Commissioner Service. In the years since the war, the Association has received over 1,000 visitors from almost every country with which Canada trades and has assisted them in establishing fruitful connections with Canadian manufacturers and exporters. The Association has been represented at important world trade conferences since the war, including those of the General Agreement on Tariffs and Trade, and such organizations as the Inter-American Council of Commerce and Production of which it is a member. This Council includes representatives of all the Latin American Republics. At the Annual Meeting in 1945 with the co-operation of Mr. Winthrop Aldrich, now U.S. Ambassador to the Court of St. James, the Association took the lead in forming the Canadian Section of the International Chamber of Commerce.

Aided by these efforts, Canadian manufacturers, prior to the war, had built valuable markets for a wide variety of products, including many fully-finished consumer goods, in the United Kingdom and other parts of the British Commonwealth and Empire and many other countries. In the post-war period, unfortunately, other countries have been unable or unwilling to match her record in eliminating barriers to the world-wide interchange of goods. Manufacturers now find many of these overseas markets closed to them, and perhaps irretrievably lost, as a result of import restrictions, quotas and prohibitions, particularly in the sterling area and Western Europe.

Some of the effects of import restrictions and the problems they create are perhaps well illustrated by Canada's own experience in this field.

By the end of the war, Canada had built up a substantial dollar reserve. To ease the problems of the war-torn nations of Europe we embarked on a generous program of foreign credits and gifts which, taken together with the tremendous pent-up demand for consumer and capital goods, rapidly exhausted exchange reserves and forced the adoption in November 1947 of import controls and other measures to conserve foreign exchange. The effect of these restrictions, aided by a renewed influx of capital, mainly from the United States, was that exchange reserves again rose to what were considered safe levels and immediate action was taken for their progressive removal which was finally accomplished in 1950.

A survey conducted by the Association in 1949 revealed general agreement that the import control program had been of benefit to the country. Many new products were being made in Canada for the first time; existing manufacturers of many products received protection from foreign competition more effective than any tariff; purchasing agents in all lines of enterprises