

have been negligible. Percentage figures, however, would be quite misleading. Here, however, are a few of the items picked at random from the trade statistics:-

- Jams, jellies and preserves
- Processed fish
- Leather
- Canned meats
- Woollen outer garments and sundry clothing
- Domestic washing machines
- Typewriters
- Plated silverware
- Aircraft parts

And so the list goes on.

It may well be that in many of these cases there was some special reason or situation that made the sale possible. Practically all of these transactions are, of course, private sales and the Government has no direct knowledge of the particulars. But the fact remains that sales are being made in an ever-increasing range of commodities to the United States, even under existing tariff rates and with such difficulties as do arise in the administration of customs regulations. Faced as we are with the loss of an important and increasing part of our traditional markets for manufactured goods, there would seem to be every reason to justify Canadian exporters undertaking the most thorough and complete study of the United States market that is possible.

Canadian companies which are branch plants of American parent companies have an added opportunity to develop new markets. In the course of our administration of the Emergency Exchange Import Control we have had occasion to discuss these matters with hundreds of such branch plants, and in a surprising number of cases it has been possible to develop new export business with the United States and other dollar markets. Sometimes this takes the form of markets, previously served by the American parent company, being turned over to the Canadian plant. In some cases the Canadian plant has specialized on one particular model and been given the rights to export that model to the world. In other cases the Canadian plant has been given the opportunity of making certain components and shipping these to the parent company in the United States. Examples of products that have been handled in this way are typewriters, washing machines, film packs, locknuts, sewing machines, radios and electrical goods. In many cases the results of these arrangements do not yet appear in the trade statistics, but the exploratory work has been done and orders have been placed.

It would, I think, be difficult to over-emphasize the importance of the American market, but there are also other markets which should not be overlooked. Here again, I have in mind not so much our balance of payments problem as the position of, say, a small Canadian manufacturer who finds himself losing his traditional markets in the British West Indies or other parts of the sterling area. What I have said about the potentialities of the United States market is, I believe, true, but obviously it will not be open to all our exporters who may lose markets elsewhere. Some there will be who, despite their best endeavours, just can't get into that market under present circumstances. To them I suggest a study of trade statistics of some of the markets that have not been traditional outlets for Canadian products. Don't just study Canadian trade statistics, but look at the total imports of those countries and see the sources from which they are now drawing their supplies.

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