

Arriving at Montreal on October 16, the visitors toured United Aircraft of Canada, Longueuil, Quebec, next day and, on October 18, following church services at HMCS "Hochelaga", naval supply centre in Ville La Salle, they toured Montreal and viewed a model of the St. Lawrence Seaway system. Next day they visited the naval supply depot at "Hochelaga" and, in the afternoon, visited the Collège Militaire Royal de St. Jean, Quebec.

They finished inspecting the naval-supply complex in Ville La Salle on October 20, and then proceeded to Ottawa for an afternoon presentation by the Director-General of Naval Supply at Canadian Forces Headquarters. On the morning of October 21 they toured DGNS facilities and in the afternoon flew to HMCS "Shearwater", the Royal Canadian Navy air station, to inspect naval installations in the Halifax-Dartmouth region. This part of the visit included tours of a destroyer escort and the RCN's new fleet-replenishment ship HMCS "Provider". After touring "Shearwater" on October 23, they departed by air for Washington.

NATIONAL RESOURCES AND NATIONAL ECONOMY

(Continued from P. 2)

ultimate advantage to be more generously welcoming in certain areas of Canada, and certain sectors of our economy than we are in others. The important thing here is that we treat this problem as a *national* management problem, and that we base our decisions upon what is best for Canada as a country. Within this framework, as I see it, the next largest resource-management problem is to ensure that the foreign investor does not return home with exorbitant and windfall returns from his Canadian investments...

CANADA AND THE NEW NATIONS

If we look around us, across the oceans towards Africa and Asia in particular, we are immediately confronted by the spectacle of a far-reaching revolution in progress. Already, since the end of World War II, over 40 countries have achieved political independence and have been granted full membership in the United Nations...

These immature and developing countries have an absolute right to expect a helping hand from the technologically more mature nations. The concept of sharing became internationally accepted with the signing of the 1960 Convention of the Organization for Economic Co-operation and Development. In the convention's words, "the economically more advanced nations should co-operate in assisting to the best of their ability the countries in process of economic development."

Canada occupies a very ambiguous position in this regard. It is itself a developing country. Nearly nine-tenths of its overall area is still quite as under-developed as are the lands which have newly achieved national status elsewhere. Yet we do have an advanced economy and a high overall standard of living, both based on our achievements in the industrialized, commercialized, urbanized southern parts of the country. Seen through the eyes of the

rest of the world we are an economically mature nation, even if it is only an illusion of maturity. The newly-emerging countries look upon Canada as the prime example of the kind of success that they too can achieve if they follow the United States way to national prosperity.

With regard to these less-favoured people, our national responsibility is, therefore, tremendous. We must be an assisting nation, even when there are still definite limitations upon the kinds and amounts of assistance we can give. Furthermore, our aid must be related to the need; and there must be more genuine sincerity to our giving than we show, for example, when we offer token handouts to downtrodden individuals here at home...

Basically, what we must strive for here is a suitable method of putting *earned* income into the hands of these new nations. This means, of course, buying more than we now do of the goods they produce. Supplementing this, we must put more of our technological "know-how" into their hands, also...

In providing them with aid of this kind, we also can be bringing a definite reciprocal advantage to ourselves. To date, these new countries have obtained only limited familiarity with material output from other parts of the world. Their need for industrial plant and equipment and other commodities is not yet fully recognized. Their consumer tastes are not yet fully formed, although their appetite already has been whetted. These emerging countries, therefore, represent a latent, but nonetheless potentially real, opportunity for us...

OPPORTUNITIES NEARER HOME AND THEIR DANGERS

At the same time, if Canada's economy is to grow in a balanced way, we cannot afford to put all our trading emphasis upon these immature overseas areas. We must also have our eye on opportunities closer to home. Here, an obvious starting point can be the U.S. Paley Report, a rather extraordinary document written 12 years ago, which pinpoints U.S. economic needs to the year 1980. This report, as you may know, recently has been updated and refined in a detailed new study by Resources for the Future, Inc. Together, these two sources provide a clear blueprint of our present and future trading prospects on the United States market. They emphasize that, by 1980 at the latest, the United States will be grievously deficient in the strategic resources it needs to sustain its present industrial growth rates. In essence, their message is that the United States already needs, or will soon need, certain particular commodities in increasing volume...

It is obvious, therefore, that we can look forward to a large and growing U.S. demand for some of the things which we have available for export. The market is there, whether we seek it out or if we don't. The danger for us is that this demand is likely to concentrate upon the same kinds of primary resources which we have traditionally shipped to this market in the past. The challenge therefore is clear: we must ensure that our future trade upon the United States market benefits us as Canadians and does not merely provide a springboard for an exploitation of our heritage and ourselves...

(Continued on P. 3)