

tically. I am happy to say that the concern I have mentioned is shared by the U.S. Administration, as it is in other capitals.

The United States Government has assured the Canadian Government of their continuing support for a liberal trade policy and has pointed out that the U.S. Secretary of State and several members of the President's Cabinet have testified to this effect in recent Congressional Committee hearings.

Even if the Kennedy Round arrangements are all successfully put into operation, there will be a great deal more to do to promote international trade. The Kennedy Round was not the end of the road, though it was a most important milestone along the way. Nor will it be easy going.

NEW BARRIERS, NEW TECHNIQUES

More and more, trade discussions have to deal with a variety of new and complicated barriers. So new techniques of negotiation will be needed. Whole sectors or industries must be approached on a broad international front. Generally, these industries are characterized by high levels of capital investment, advanced technology, large-scale production and, not infrequently, widely dispersed international operations.

Unfortunately, another frequent characteristic of these industries is that non-tariff, as well as tariff barriers, can, and do impede international trade. The approach to their removal raises complex and difficult questions about relations between government and business and between groups of producers in various countries.

There are also the trade and development problems of the low-income countries, which seem to be far away from solution as ever. Nor is their solution a matter of international charity. It is one of hard-headed concern by the developed countries for their own growth and stability. This concern should lead, and in some cases has led, the developed countries to agree to remove trade barriers affecting products of low-income countries, without asking for full reciprocity. The need for this is shown by the fact that the share of the under-developed countries in world trade has been falling at the very time that the flow of aid funds has levelled off and, indeed, threatens to be reduced. In other words, the gap between the developed and under-developed countries is widening, instead of narrowing.

Less aid and less trade could be a catastrophic combination, not only for the developed countries, but for the world. It would mean that, while we are conquering outer space, in our own living space we are losing the war against poverty and hunger and disease. These have been the enemies of man since the beginning of time.

Yet, despite all of our boasted technological triumphs, they maintain today their tyranny over two-thirds of the world's population. This confronts us with a new kind of challenge for a new kind of enterprise based both on creative compassion and enlightened self-interest. It is not a struggle of man against man, but of man joining with man in united action against a mounting threat to the stability and the security of all mankind....

MARKET ACCESS FOR POOR NATIONS

Direct assistance in the form of aid is only one method by which we can assist impoverished countries — and not the best. More important is to give easier access for the developing countries to the markets of the more prosperous countries, thereby helping them to become stronger and more productive. It is clear that only greater export earnings will provide these countries with the funds required for these purposes. There is little logic in encouraging the industrialization of under-developed countries through technical and other forms of aid and, at the same time, imposing restraints on imports of the products that they can produce on competitive basis. So further progress in the reduction of barriers to trade must be on a world-wide basis with special consideration for under-developed countries. I have mentioned one threat to such progress. It could be hindered also by the establishment of new and regional trading groups, which are discriminatory and exclusive in their orientation.

Movements toward economic integration can have important and beneficial political advantages, and economic advantages. But, if discriminatory and inward-looking, and whether formed on a European, North American or any other regional basis, they are no answer to the problems of either the developed or the under-developed world.

Discriminatory trading arrangements within such groups could bring about a substantial distortion of the whole international trading system. That would be a wasteful and uneconomic development.

More serious is the danger of political frictions which would arise from a significant distortion of traditional trade patterns, frictions which would intensify if other countries entered — as they would — into special trading arrangements devised as measures of defence and retaliation.

Governments, I don't need to tell you, now play a major, and indeed an increasing role in these matters of economics and trade and finance....

But government cannot, and should not, alone attempt to command the whole course of our economy, any more than government should attempt to do jobs that business can do better. It must be a joint effort — public and private — to promote our economic and our social well-being. In that effort, the role of government is essential. But it is to private enterprise and initiative that we must continue to look for the driving force in our economy that makes for progress....

A-ENERGY INTEREST GROWING

Information centres on atomic energy are becoming popular with the Canadian public. The Public Information Centre of Atomic Energy of Canada at Chalk River, which opened in June, received some 12,000 visitors before closing at the end of September, and is still open on demand for groups or special events. The Centre at the Douglas Point power station received more than 21,000 visits this summer.