

of the European Economic Community have caused no cultural or political integration. All the available evidence suggests that the benefits of free trade can be obtained without compromising the integrity of the country and the national identity.

The question of safeguards is an important issue and will require the selection of sectors where Canada has at least an equal economic position to allow its industries the opportunity to grow in a free-trade environment. Consequently the selection of sectors for potential free-trade arrangements is an aspect which the Board will be considering.

The key issue for Canada is how it can best manage its affairs within the framework of increasing economic integration. The Board will pay particular attention to strategic options for securing dependable and preferential access to the U.S. market, and appropriate consultative mechanisms to provide a thorough examination of the impact of these options on each industry sector.

#### Export Financing (Chairman: Ben Beneteau)

The international capital projects market has continued to be intensely competitive and difficult for Canadian suppliers during the last year, compounded by the appreciation of our dollar against almost all other countries except that of the U.S.

While the Board is not in favour of subsidization of domestic industry it feels that in export markets the government must be prepared to provide assistance comparable to that offered by competing countries. The increasing number of instances in which the Export Development Corporation (EDC) has supported companies facing concessionary financing offers on overseas projects, which in aggregate exceeded \$2 billion last year, is noted as a positive indication of EDC's efforts to help exporters.

#### Export Education and Awareness (Chairman: Dianne Hall)

Last year saw the inauguration of the Canada Export Awards Program and the designation of the month of October as Canada Export Trade Month, both developments which were wholeheartedly endorsed by the Board. The importance of exports to the Canadian economy was promoted during Canada Export Trade Month by means of advertising, newspaper supplements, seminars, displays, conferences and other activities.

The results of these activities were reviewed, and the Board has recommended that Canada Export Trade Month become an annual event to be held in the fall, in order to improve the general awareness of the importance of exports to Canada.

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