

The task of restoring Canada's peace time export business to its full vitality and strength will demand the closest co-operation among the Departments of Trade and Commerce, Munitions and Supply and the Wartime Prices and Trade Board. It will require also the maximum co-operation from industry. Accordingly the first step has been to set up a new division of the Commercial Intelligence Service known as the Export Planning Division. The purpose of this new division is to work out export programs in detail for different classes of goods as they become available, and to make certain that each program has the approval of the industry concerned, as well as of the various departments whose interests have to be taken into account.

A Canadian Export Board has also been established to deal with foreign trade. This board will not attempt to regulate normal commercial activity. On the contrary it has been formed to deal with government-to-government transactions, such as take place under the Mutual Aid agreements, but not to handle export business that can be dealt with through regular commercial channels.

In the past the activities of the Department of Trade and Commerce have been directed almost entirely to export trade. While the promotion of exports will remain its primary function, still another new division has been established to study imports in response to requests from both exporters and importers. Canada has come close to being a first class importer. Its exports have always been much greater than its imports, but with its over-production of primary products, its economy could hardly function in any other way. In 1939, although Canada then stood fourth among the world's exporting countries, it was only eighth among the importers. Every effort is being made to co-ordinate imports with exports, so that a proper balance of trade and a healthy overall Canadian policy in international commerce will be achieved. The first move in tackling this problem was the establishment of an Import Division of the Department of Trade and Commerce.

The importance of these post-war efforts has been summed up by Graham Towers, governor of the Bank of Canada:

"Our present state of full employment is due in no small part to the enormous increase in our exports during the war. No possible increase in domestic consumption will enable us to absorb our grain production or the output of our forests and mines and various other industries. We must do everything possible to broaden the markets for our exports in the post-war period. We must encourage all efforts to promote the wider international exchange of goods and services through appropriate measures in the fields of international monetary arrangements and commercial policy. For our own sakes, we shall certainly be faced with the necessity for extending credit to other countries in the post-war period. Also, if we wish to maintain our exports at a level which will help to achieve high national income and employment, we must be prepared to import on a corresponding scale."