

These policies played their part in helping to develop a broadly-based manufacturing industry in Canada, which in turn has contributed to the high standard of living Canadians enjoy today. But these policies also helped to contribute to some of the problems we face today. The high tariff wall and the imperial preference system led to the establishment in Canada over the years of a number of small-scale, relatively inefficient plants - a high proportion of which were also foreign owned and controlled.

Canadian commercial policy, of course, has not been the only factor that has helped to determine the structure and nature of our economy. As was the case with the National Policy, the course we have been forced to follow has often been determined by the policies of other countries, particularly those which restricted our access to export markets.

During the postwar period, there has been a fundamental shift in Canada's basic industrial approach. Over the past quarter-century, successive Canadian Governments have negotiated substantial reductions in world trade barriers. They have also adopted a variety of specific policies, programs and other measures to encourage and assist Canadian companies to take full advantage of the new market opportunities opened to them around the globe.

This approach to industrial development during the postwar period did not suddenly emerge full-blown overnight as part of a fully-defined national policy. Instead it slowly evolved in response to changing circumstances at home and abroad. It seems to me that this move to make Canadian industry more internationally competitive has been well understood and strongly supported by the vast majority of the Canadian people.

This approach, and the means adopted to implement it, have played an important part in fostering the strong growth of Canada's secondary industries during this postwar period. In 1950, less than 10 per cent of the goods which we exported were fully manufactured. Today some 36 per cent of all our exports are made up of manufactured goods. Some of our industries have become fully competitive internationally. Many others have made considerable progress toward this goal.

I believe that Canada has adopted and pursued an effective national policy for promoting industrial development during the postwar period. But I and other members of the Federal Government fully agree that the time is ripe to take a hard look at that policy to determine whether it should be modified to take account of the circumstances that prevail today and those that we can foresee taking shape in the years ahead.

What makes it important to take stock of our position now is the fact that the world is caught up in the midst of a number of far-reaching changes, the outcome of which it is not easy to predict. There is nothing new in change. What is new is the swift pace at which change is taking place in almost every facet of our society. The already rapid rate of advances in technology continues to accelerate, bringing about vast changes in our lives, in our way of producing goods and