

the negotiations, and to our own negotiating team under the leadership of Ambassador Sidney Pierce. The Kennedy Round now stands not only as a symbol of the most sweeping advance yet made in the liberalization of world trade but also as a model and example of constructive, forward-looking and meaningful cooperation among the countries of the world.

"For Canada, the success of the Kennedy Round has wide-ranging implications, opening new broad perspectives of expanded trade and benefiting all sectors and regions of the economy. Indeed, a dramatic and sustained increase in Canadian export trade is essential if we are to deal effectively with the common issues confronting us as regards standards of living, balance of payments, jobs and the like. The concessions granted in our own tariffs to gain greater access to other markets must be regarded in the light of the very great benefits which can accrue to Canada from expanded exporting opportunities.

"Many sectors of industry where Canadian tariffs are being reduced are also the sectors which stand to benefit most from export gains. In many instances, the cuts in Canadian tariffs are in areas which will help reduce the costs of production for Canadian processors and manufacturers, as well as for consumers. That is important.

"The export benefits obtained by Canada from its agreements with major trading partners cover, including wheat, over \$3 billion of our current export trade. In the United States and the EEC, most industrial tariffs will be reduced to levels of 10 per cent or less. As a result of the across-the-board tariff cuts made by our major trading partners, trade opportunities will become available for the first time to a very wide range of manufactured goods - many of which will be Canada's exports of tomorrow. For Canada, therefore, the Kennedy Round could contribute to the solution of many of our basic economic problems and set in motion the process of adaptation and restructuring which could, in time, reshape the character of the economy. There are many areas where we need more values added, more up-grading of our raw materials, and this should help.

"It may well be that the Kennedy Round will be regarded in the future as a crucial turning-point in the transformation of Canada from a resource-based economy to one of the most advanced industrial nations of the world.

"I have commented on previous occasions in some detail on the significance of the new cereals agreement for Canada's wheat trade, for the Western Prairie Provinces, and for the economy and balance of payments as a whole. The International Wheat Council is convening a special negotiating session in Rome on July 12, with a view to revising the International Wheat Agreement so as to incorporate the cereals commitments agreed to in the Kennedy Round.