

As far as the Government is concerned, our efforts to enlarge trade opportunities will be pushed with the utmost vigour. We believe that further reductions in trade barriers between countries would be in the general interest and we are ready to take part in negotiations to that end.

As you know, discussions have been taking place in London between officials of Commonwealth countries in preparation for a conference later in the year at the ministerial level. Canada was represented at the official discussions, and Mr. St. Laurent and Mr. Abbott will be attending the conference of prime ministers.

These talks are concerned with the difficulties of the sterling area and how best they can be overcome. Although Canada is not a member of the sterling area, we have a vital interest in its fortunes. I hope that useful results will emerge and that progress will be made towards the objectives we all seek -- a removal of the restrictions on trade that now surround the sterling area, and the restoration of sterling to its traditional position as a world currency.

There is no magic formula or simple technical device by which these objectives can be achieved, and we should always bear in mind that the decisions to remove trade restrictions and to restore convertibility, when they are made, will be made not by us, but rather by the governments of the United Kingdom and the other sterling area countries. The Canadian dollar is now fully convertible and we do not now impose quantitative restrictions on trade with any part of the free world.

Britain and the sterling area face a deep-seated problem -- a persistent tendency for imports to run ahead of exports. Canada will continue to have a part to play in constructive efforts to solve this problem. But the solution depends, not primarily on the help of Canada or any outside country but, in the main, upon what the peoples of the sterling area do within their own countries to achieve stability and expand output.

However important these Commonwealth talks may be, the Government is not losing sight of possibilities for expanding trade elsewhere. This is not a time to sit down and bemoan the fact that some markets are closed to Canadian goods. Rather is it a time to be even more aggressive in the development of those markets which are available. This is the principle on which the Canadian Government is proceeding.

Governments, however, do not sell goods. All they can do is to follow policies that contribute to a greater volume of trade, and provide facilities to help exporters in carrying on their business. How much trade is done depends, in the final analysis, upon the production of goods that can be sold at competitive prices in the available markets, and upon salesmanship. That is your job as businessmen.

These are some of my views of the business situation in Canada as we find it today. I see nothing in the situation that warrants pessimism, but you will agree that we cannot afford to be complacent. The international situation is such