

## Future

Impressive as the results have been to date, there is a big job yet to be done ... there are rewards available to you through the full achievement of the objectives of the Agreement by way of a still more competitive industry.

As you know, the Economic Council, in its recent review, has predicted for 1975 a vastly expanding Canadian economy, including a much greater market for consumer products. This should further increase the demands that will be placed upon the automobile and parts industry.

What are the needs of the future?

The Economic Council has given us a preview of what could be the picture in 1975: A gross national product of at least \$100 billion -- up from the 1967 level of approximately \$65 billion. Exports should attain about \$25 billion, possibly rising at an average annual rate of over 10 per cent. Personal transportation equipment could be the third most important consumer expenditure item (having surpassed clothing and footwear). Consumer expenditure in this sector will have risen from the 1967 level of \$2.6 billion to almost \$5 billion.

What's in this for you?

Are you making appropriate plans to get the maximum share of this greatly expanding domestic market? Are you making serious efforts to obtain a more equitable share of the total North American market?

We, industry and government, have a responsibility to create the conditions that will facilitate the achievement of these goals. A good economic environment can be fostered by government action, but employers and employees must do the work of industrial growth.

## Problems of the Future

Looking ahead, what are the practical problems and hindrances that your group and the entire automotive industry must overcome? Let's mention three: (1) Investment and growth financing; (2) management; and (3) marketing.

### Investment and Growth Financing

The Canadian automotive industry has invested in the order of \$1 billion between 1964 and 1968. It took that much to bring you where you are today.

If I freely interpret the Economic Council's hopes for 1975, I venture to say that it will take at least another \$1 billion in new investment by 1975, just to enable you to stand still! That's right - \$1 billion just to maintain the portion of the North American market which you now have.

In order to achieve a more equitable share of the market, therefore, the Canadian automotive industry investment must be greater -- considerably greater!