



STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 52/12

CANADA'S TRADE OUTLOOK

Text of an address by the Minister of Trade and Commerce and Defence Production, Mr. C. D. Howe, to the Montreal Canadian Club, March 10, 1952.

...Some people may be inclined to think that, in a period of world-wide rearmament, trade is of secondary importance, that it can be left pretty much to look after itself. I can assure you that the Canadian Government has not taken that attitude. As a matter of fact, we have come to realize that there is more, rather than less, reason to pay attention to the development of foreign trade, for, during this period of rearmament and defence preparations, we are building up productive capacity which later will be fully utilized only if the product can be exchanged for goods from other countries. That is why -- since Korea as before Korea -- the Canadian Government has never ceased to work for reduction of trade barriers. That is why our trade commissioners in other countries have been instructed to do everything possible to help Canadian exporters in their efforts to sell Canadian goods. The development of markets, as many of you know from your own business experience, requires constant vigilance and effort. One must never relax even when there is, for the time being, more business than can be handled.

On the whole, the Canadian trade record is remarkably good, and prospects, in my opinion, are favourable. But I am not going to suggest that everything is rosy and that there are no problems, for that would be misleading. I do think I am justified in saying, however, that we are in a strong position to deal with any difficulties that may lie ahead.

Let us look first at some of the facts. Then I shall talk about problems and policies.

In 1951 Canadian exports and imports taken together, for the first time exceeded \$8 billion. In terms of volume of goods moved across our borders this was an increase of 10 per cent above 1950, which was itself a year of unusually heavy trade. You will recall that for a few months we ran a rather large deficit on trade account. But when the totals of 1951 were added up, imports exceeded exports by only \$122 million, which was a very small deficit in relation to the trade involved. I do not think it is going too far to say that the gloomy predictions about our deficit trade position were confounded.

Many of our primary products recorded striking increases in export volume in 1951. Wheat exports were about