

The promotion of trade is a full-time, continuous job. Neither Government nor industry can afford to blow hot at one time and cold at another. Above all, I have learned in my years as Minister of Trade and Commerce that one cannot afford the luxury of adopting a defeatist attitude when difficulties arise in external markets.

All of us can recall the number of times in post-war years when it was predicted that Canadian trade was due for a serious setback. Immediately at the end of the war, there were fears of a serious world recession which would affect the demand for Canadian exports in our principal markets. Instead, a dollar shortage developed in overseas markets, with resulting restrictions on exports from Canada as well as the United States. On two occasions since the end of the war industrial activity in the United States fell away from peak levels and led to fears of a major drop in demand for Canadian industrial raw materials.

Looking back, these fears of a major setback to Canadian trade appear to have been greatly exaggerated. The world problem in the immediate postwar period was not a sudden collapse of demand, but, quite the contrary, an extraordinary upsurge of business activity. The dollar problem, although it had serious and unavoidable effects on some Canadian exports, did not in fact greatly affect the total volume of our exports; it simply altered its composition and its direction. As for the two postwar recessions in the United States, they proved to be short-lived and were succeeded by new peaks of activity. Indeed, even I, an optimist by nature and conviction, have been astonished by the resilience of the United States economy in recent months.

What lessons are to be learned from this recent experience? The first, I suggest, is that the world should have learned by now that depressions are not inevitable. Some ups and downs in business will occur, of course, -- perhaps these are inevitable in a progressive economy and serve a useful purpose in maintaining efficiency -- but it seems to be much more reasonable to assume a relatively steady rate of economic growth than to assume a sudden collapse from time to time.

The second lesson, I suggest, is that steady pressure for liberalization of international trade contributes to a steady rate of economic growth. This might seem a self-evident truth. But I regret to say that there are those in all countries who would turn back the clock towards restrictionism whenever the going gets a bit rough. This is one of the reasons why I said a few moments ago that neither Government nor industry can afford to blow hot at one time and cold at another when it comes to the promotion of trade. There must be steady pressure in the direction of more trade if the best results are to be attained.

I know, of course, as well as you do, that Canada by itself cannot determine the trade policies that will be followed throughout the world. However, let us not make the mistake of underestimating our own influence. We are the world's third or fourth trading nation and many countries are anxious to build up their markets in Canada. Trade is a two-way street for them, as it is for us.

Nor should we make the mistake of assuming that Canada is fighting a lone battle for liberal trading principles in international trade. This seems to be a popular notion here in Canada, but it does not truly represent the position. I was amused, as I am sure you were, by a cartoon by John Collins, talented artist of the Montreal Gazette, showing the Minister of Trade and Commerce sticking by the good ship GATT, while others were taking advantage of lifeboats marked "escape clauses" to escape from the sinking ship.