

It is inevitable that, from time to time, every government is faced with the need to ensure that administrative actions are brought into line with the law. But this is a very different thing from saying that these actions are designed to discourage imports into the country. I have no hesitation in repeating, as I have said on other occasions, that it is the firm intention of the Canadian Government to achieve a greater diversification of its international trade, and that, as an important part of that effort, the Canadian Government has done what it can to encourage increased trade with Britain.

In closing these remarks about the import of automobiles, I should simply add that, for the first nine months of this year, the export of British cars to Canada has again increased over the corresponding months of last year.

I hope that this explanation will dispel the idea that the British automobile industry has suffered as a result of any action by the Canadian Government. We have sought to encourage and will continue to encourage increased trade with Canada. We are gratified by the improvement of the past few years, but we still believe it can be greatly accelerated if many manufacturers, who have not yet attempted to export to our country, will examine the Canadian market, and particularly what we are buying from the United States. What is required is a determined effort on the spot to set up an effective selling organization which will assure prompt delivery, the maintenance of parts, and continuing service on any mechanical equipment which requires special attention.

Far from thinking that we have reached anything approaching the maximum of possible exports to this country, we know from the experience of the past two months that many Canadian exporters, who have not attempted to export in the past, can compete on favourable terms with exporters from any other country. We know that, if we are to see the increase in our exports to Britain which we know is possible, there must also be an increase of exports from Britain to Canada.

Having seen the remarkable increase in trade both ways during the past few years, I do not think it is at all unrealistic to suggest that many who are now at this meeting will see the day when our exports to Britain and your exports to Canada will reach \$2,000 million. Obviously, this thought could not be entertained by anyone who believes that the British or the Canadian economy is in an unhealthy condition.