assurances to the private sector in order to facilitate long-term investment plans necessary to efficient production of advanced-technology and military equipment. Equally, the government must ensure that Canadian producers are not discriminated against by attempts by other countries to implement controls on an extra-territorial basis.

Conclusions:

- There will be a continuing need to reduce foreign trade barriers in order to improve access conditions for efficient Canadian producers. Canada must use both multilateral and bilateral instruments and techniques to achieve this objective. We must be vigilant to counter discriminatory treatment affecting exporters.
- The level of access to the US market achieved over the years now provides the kind of market base which many Canadian industries need to achieve the necessary economies of scale and provides a strong base for further expanding and diversifying Canadian exports. There remain some important areas where improved access is needed (e.g., petrochemicals, urban transportation). This access also needs to be protected from unwarranted protectionist measures.
- The Canadian import regime is being modernized to deal more effectively and expeditiously with problems of injurious import competition in the domestic market and to ensure that our system of contingency protection is as effective as that of other countries. The Canadian tariff will continue to provide reasonable protection, but its gradual reduction should help to mitigate regional tensions on trade policy matters. The tariff will also become a less determinant factor in MNE decisions on the location of new investment.
- There is a clear need to continue to contain resort to safeguard action to emergency, short-term circumstances to deal with injurious, disruptive increased imports. There may be cases where they can be combined with other programmes to facilitate longer term industrial adjustment, but their indiscriminate use could actually impede the adjustment process.
- The use of export controls for strategic and non-commercial policy reasons should not unduly frustrate the achievement of commercial policy objectives.

VI. Developing Markets

a) *Assisting Competitive Exporters*

In order to assist Canadian producers to take full advantage of access to US, Japanese, EC and other markets, a wide array of export development programmes have been put in place. These range from posts abroad staffed by trade commissioners, through the Programme for Export Market Development (PEMD), to the Export Development Corporation (EDC). These programmes are not, of course, a substitute for international competitiveness on the part of Canadian exporters nor for adequate support by the Canadian banking system. The private sector must ensure