The present Government has not been inactive in its desire to protect our manufacturing industry against unfair foreign trading practices and to promote the diversification of Canadian manufacturing as well as to assist our export trade. After careful consideration and full consultation with business and industry, the Canadian Government is proposing to provide new facilities which should enable Canadian exporters to compete on even terms with exporters from other countries, where they are competitive in other respects. The new powers proposed for the Export Credits Insurance Corporation are not as far reaching as some of the interested parties suggested, but they are considered appropriate to conditions in Canada at this time. Briefly, the proposal now before Parliament will amend the Export Credits Insurance Act to enable the Corporation, when authorized by the Governor-in-Council, to provide direct guarantees to lenders on approved export transactions. The amendment will also authorize the Corporation to buy, sell, and make loans on guaranteed export paper.

Home Market

In so far as the home market is concerned, the Government has passed anti-dumping legislation designed to defend Canadian producers against certain foreign trade practices. The legislation provides that the value of imported goods for duty purposes shall not be less than the cost of production plus a reasonable allowance for selling cost and profit.

The home market is vital for our manufacturers. It has always been and will remain the most important for our industry. In 1958 manufactured goods purchased in Canada amounted in value to over 22 billion dollars. Of this total, Canadian manufacturers supplied 81 per cent. The ability to supply such a large proportion of our domestic needs is of particular importance since the Canadian market is expanding more rapidly than that of any other industrialized country. By 1975 our population may reach 24 million and our gross national product is expected to exceed 53 billion dollars. In fifteen years the domestic market for Canadian manufactured articles will have almost doubled in volume and in value.

In January I mentioned investment intentions of Canadian manufacturers and said at that time that these estimates which were based on a survey during the fall of 1958 were likely to be revised upward this year. This is proving to be correct. In response to better business conditions in Canada and abroad, a new feeling of confidence is surging through the Canadian economy. Once again the tempo of new plant construction and the installation of new equipment is rising.

The diversification of Canadian manufacturing is another field in which both industry and government have a part to play. Part of the emphasis that our department is placing