

oil has historically enjoyed and is viewed by Canada as a rather strange first step to freer trade. The Government has stressed its opposition to these measures and has requested the U.S. reconsider them. It is my hope that these restrictions will prove to be only temporary and that the U.S. will recognize the mutual benefits that could flow from freer trade in oil between our two countries. You may be assured that the Canadian Government will continue to work toward that end.

So much for some of the particular trade problems. Now, what about our trade services, the instruments by which we assist Canadian exporters in expanding their markets abroad?

Trade Commissioner Service

In addition to the very complex trade negotiations which are carried out by the Government to ensure even better access to foreign markets, the Department, as you know, is actively involved in promoting trade abroad. In this respect, the Trade Commissioner Service, the foreign arm of the Department, has recently been reorganized to better serve the Canadian businessman.

Today's Service follows a businesslike "management by objectives" approach; the goal is to maximize results for money spent. Results are hard to gauge, but one can usually determine when a successfully-completed business transaction probably would not have been achieved without the trade commissioner's involvement. Individual posts set their own targets in accordance with market conditions and the resources at their disposal, in the same manner as field sales offices do in some private companies.

Employing a management tool called Program Planning and Budgeting, posts are under instruction to broaden their view by analyzing sales opportunities and trends in their particular markets for five years in advance.

Post managers are now held responsible for using the funds and personnel placed at their disposal efficiently and effectively. The end result is a more structured approach to exploiting worthwhile business prospects for Canada in a given territory. Responsive work is, of course, not being neglected, because it constitutes the "service" aspect of his job, but it forms only part of the tasks which these officers are expected to perform.

The focus of the modern trade commissioner is on more than just marketing. The rest of the product cycle - research, development, pre-production, and production - are receiving increasing attention from him. Canadian industry must be alerted to innovations necessary to keep pace with trends abroad and to new developments in foreign technology. Marketing is only the end phase.

We are re-deploying our forces. Posts are under constant scrutiny to ensure that their trade-promotion results are commensurate with their cost. If not, they will be reduced in size or closed. Other posts may be opened or expanded. In the past year, Canadian trade officers have begun operations in six new locations (counting Buffalo and Minneapolis, which are to be opened within the week) and have closed out four where business conditions no longer warranted the costs involved.