The Association agreed it was important to retain access to the United States; but Canada must strengthen its trade ties with Japan and the developing world -- and the best way of doing so was within the multilateral framework of GATT.

"While many deplore the idea of fortress Canada, the idea of fortress North America is just as short-sighted."

The Association urged the government to improve export development programs, delivery systems and import laws. A domestic strategy was needed. "First improve the domestic infrastructure and then proceed to put in place a comprehensive export trade strategy," the Association said.

Protectionist threat cited

<u>Aluminum Company of Canada</u> (David Morton, President, and Jeffrey Skelton, Vice-President) favoured efforts to negotiate a comprehensive free trade agreement with the U.S. and noted there were two linked aspects to such a move: as a measure to counter incipient protectionist proposals in the U.S.; and as a necessary prerequisite to Canada's cost-effective participation in world and principally U.S. markets.

A commitment by Canada to move towards freer bilateral trade relationships with the U.S. would help delay or exempt Canada from a range of U.S. protectionist measures.

On the cost-competitive side, there could be economies of scale and good management. It might also spur a focus on product specialization and it would foster production volumes from 'expansion to export markets.

A bilateral pact would provide Alcan with more secure access to the U.S., serve as a spur to Canadian semi-fabricating and