

tional Association of Manufacturers on December 6, 1961. Referring to the new American trade initiative which he is now submitting to Congress, the President said:

"I am not proposing, nor is it either necessary or desirable, that we join the Common Market, alter our concepts of political sovereignty, establish a "rich man's" trading community, abandon our traditional most-favoured-nations policy, create an Atlantic free-trade area, or impair in any way our close economic ties with Canada, Japan and the rest of the free world".

"These words apply, with even greater force, to our own situation. Like the United States, our trade and economic interests are far-flung. Only we depend relatively much more on foreign trade than they do. Just as our southern neighbour has political interests all over the world so our own political interests are very wide, embracing many areas and countries.

"We cannot, any more than the United States can, seek to further our national economic and political objectives through a narrow regional approach. Inevitably, such an approach would force us to choose between wide variety of interests which contribute to our identity and our prosperity. And this would be - let there be no doubt about it - an agonizing choice, indeed.

"Happily it is not a choice we are forced to make. I am firmly convinced that whatever problems emerge from current regional developments in Europe can and must be solved on a broad basis, in keeping with our interests and with the interests which all the countries of the free world hold in common. In this connection, it is not without interest that the Organization for Economic Co-operation and Development, which groups together 20 countries of Europe and North America and of which I have the honour to be Chairman, reaffirmed at its recent ministerial meeting in Paris its fundamental aim to further the expansion of world trade on a multilateral non-discriminatory basis.

"You may ask, what do I mean when I speak of multilateral solutions to current world economic problems? I have in mind that the new pattern of world trading arrangements emerging from the creation of the European Common Market and its possible enlargement in Europe raises fundamental problems for the entire free world. It follows from this that effective solutions will require the collective efforts of all the principal trading countries. They will also require the constructive and imaginative leadership of the United States as the principal world power and the central bastion of the alliance of free nations.

"We are fortunate in witnessing these days the display of just such leadership on the part of the United States. I am referring, of course, to the new

trade programme which President Kennedy is submitting to Congress. This bold and far-reaching initiative is principally designed, as you know, to permit the United States to negotiate on the basis of the gradual elimination of tariffs in the United States and the Common Market over a wide variety of goods which are mainly produced in these areas and to permit a gradual reduction of duties up to 50 per cent on other goods. The United States trade programme is in harmony with the sort of solution to current world economic problems which we have been consistently advocating....

"We must recognize that, if the new trading world now being conceived is to conform to our collective aspirations, more will have to be achieved than an elimination or lowering of tariffs on manufactured products. The special interests of countries such as our own will have to be taken into account. In particular, access will have to be provided for agricultural exports which are now restricted by a variety of non-tariff devices. In working out solutions for these problems we stand ready to play our full part.

"From what I have said, I think you will agree that ours is a positive and forward-looking response to the challenges and opportunities which are emerging. Briefly stated, these are the main elements of our policy:

1. We shall continue through friendly co-operation with the British Government to assist them to safeguard the vital interests of Canada and other Commonwealth countries in their negotiations with the European Economic Community.
2. We desire to see our relations with Commonwealth countries, economic and other, preserved and strengthened and will work consistently to this end.
3. Through the GATT and in other ways, we will endeavour to maintain and enlarge our access to the European market and further in every way the expansion of our exports to this important area.
4. Together with the United States and other like-minded nations, we will play a constructive role in the promotion of freer world trade on a multilateral non-discriminatory basis.
5. In the all-important area of agriculture, we will co-operate in current international efforts to bring about more rational and equitable conditions of trade.
6. At home, we will work constantly for the improved efficiency and modernization of Canadian industry so that we can take full advantage of all opportunities which will become available for our exports under conditions of freer world trade...."
