

## WILL STRONGLY SUPPORT GATT RENEWAL

**MR. HOWE ON TRADE:** Speaking before the Canadian Exporters' Association at the Seignior Club, Montebello, Que.; on October 26, the Minister of Trade and Commerce, Mr. C. D. Howe, urged Canadian firms to increase efforts to sell Canadian goods in other countries.

He said Canada will strongly support the renewal of the GATT and the strengthening of the rules of trade.

Following are some excerpts from Mr. Howe's address:

"The fact that Canada is one of the world's leading export nations, both in volume of total exports and per capita, is evidence that this knowledge of how to compete successfully in export markets is not as widespread as it might be, to the detriment of Canadian trade . . . . .

### ATTENTION TO EXPORTS

"The very fact that there is now a Canadian Exporters' Association is an indication of growing interest in exporting among Canadian business generally. It is my impression, however, that in many of the firms represented here, which are in the domestic market at least as much as they are in the export market, the export manager is still fighting for his place in the sun. . . . If Canadian producers are to compete successfully in export markets, they cannot afford to look upon exports as a by-product of production for the domestic market. They must devote just as much attention to exports as they do to domestic sales. . . . .

"It will be answered by some, I know, that Canadian manufactures are at such a disadvantage in export markets; either because of trade barriers or because of price competition, that the effort to cultivate export markets isn't worth the candle. As Minister of Trade and Commerce, I am fully aware of these handicaps against our exports of manufactured goods. After all, most of the complaints land on my doorstep. However, in my official capacity, it has also been my privilege to see some Canadian manufacturers doing an increasing business abroad, because they were alert to seize opportunities that presented themselves and because they spent time and money in cultivating export markets.

"I am not suggesting that all Canadian manufacturers can compete in foreign markets. This is patently absurd because, after all, a good many of our manufacturers are having difficulty in meeting foreign competition even with the protection of the Canadian tariff. To a very large extent Canada will continue to trade raw and semi-processed materials against manufactured goods. This does not mean, how-

ever, that we cannot continue, as we have in the past, to export an important quantity of particular kinds of manufactured goods in competition with the world.

"The opportunities for trade in manufactured goods, it seems to me, are increasing . . . . .

"True, many restrictions remain, some of which in my opinion are no longer justified for exchange conservation reasons, but even these are under review and we can be hopeful that before very long all except the 'hard core' will be removed. . . . .

"The competition is going to be stiff, perhaps fierce is a more appropriate word. Canadian manufacturers will have to sharpen their pencils. They may have to concentrate on particular lines for export so as to reduce unit costs. To an increasing extent they may have to try to produce something distinctively Canadian in order to attract buyer interest. It does seem to me, for example, that Canadian producers have not always exploited to the full the value of the word 'Canada' in their efforts to sell in the United States.

### OPPORTUNITIES LOST

"Apart from these more or less obvious points, I come back again to the even more general observation that I think opportunities are being lost because Canadian manufacturers are simply not paying enough attention to export markets. . . . .

"It is a popular pastime to attack the General Agreement on Tariffs and Trade, or, what is worse, to damn it with faint praise. Most of this attack is based on ignorance, although some of it is based on a desire to see the world revert to restrictionism. The GATT is not a perfect document from Canada's point of view. It has not always been observed as strictly by other countries as by Canada. When everything has been said, however, it remains true that the GATT represents the only possibility of preserving the gains that have been made in the postwar period, the only possibility of preserving a code of rules by which a country's trading practices can be judged. When people attack the GATT, I ask them for their alternative proposals. Invariably they have none.

"The Canadian Government will strongly support the renewal of the GATT and the strengthening of the rules of trade. It will be fighting to preserve the gains that have been made in the form of lower barriers to trade in the postwar period. As exporters, I believe that you will profit to the extent that we are successful, and suffer to the extent that we fail to achieve our objectives."