

Chapter 18

International trade

18.1 Federal trade services

Canada's economy continues to be vitally dependent on international trade. Competition among industrial nations is intense and increased exports are not easy to achieve. A successful export trade can only be assured by combining good products, efficient production and aggressive, intelligent marketing with government support.

Federal government support is provided through the Department of Industry, Trade and Commerce and the Export Development Corporation. The Department assists Canadian industry throughout the complete cycle – from research, design and development through production to marketing of the finished product. The Export Development Corporation, a Crown agency which reports to Parliament through the Minister of Industry, Trade and Commerce, provides insurance, guarantees, loans and other financial facilities to help Canadian exporters.

18.1.1 Department of Industry, Trade and Commerce

Departmental units involved in international trade are: Office of General Relations, Office of Special Import Policy, Export and Import Permits Branch, the International Bureaux, Trade Commissioner Service, Office of International Special Projects, Financing and Aid Branch, Grain Marketing Office, Transportation Services Branch, Fairs and Missions Branch, and the Program Office (Export Market Development), which handles the administration of the Program for Export Market Development.

The Office of General Relations includes a General Trade Policy Branch and a Commodity Trade Policy Branch, responsible, within the Department, for formulating and implementing Canadian external trade policy with particular reference to the activities of the General Agreement on Tariffs and Trade (GATT), the Organization for Economic Co-operation and Development (OECD) and the United Nations Conference on Trade and Development (UNCTAD). It is also responsible for the preparation and conduct of negotiations of intergovernmental commodity agreements, such as those for wheat, coffee and sugar.

The Office of Special Import Policy proposes action to be taken by government in the light of recommendations of the Textile and Clothing Board (with respect to imports of textiles and clothing) and of the Anti-dumping Tribunal (with respect to other "low-cost" products), as well as in other instances where "low-cost" imports have caused or are threatening serious injury to domestic production. It conducts export restraint negotiations with other governments and is responsible for Canadian input into international activities relating to textiles, i.e., under the GATT and the Arrangement Regarding International Trade in Cotton Textiles.

The Export and Import Permits Branch administers the federal Export and Import Permits Act. The intention of the Act is to ensure, by means of export controls, that there is an adequate supply and distribution in Canada of goods necessary for defence or other purposes; that no specified goods having a strategic nature will be made available to any destination wherein their use might be detrimental to the security of Canada; and to implement an intergovernmental arrangement or commitment. Also, by means of import controls, the Act is intended to ensure an adequate supply in Canada of goods that are scarce in world markets, or subject to governmental controls in the countries of origin or to allocation by intergovernmental arrangement; to implement action taken under certain other federal Acts to support the price or have the effect of supporting the price of specified goods; and to implement an intergovernmental arrangement or commitment. Other functions of this Branch are to advise exporters and importers on interpretation and requirements of the Export Control and Import Control Lists and Regulations; to study the economic implications of the Act; and to review Control Lists and practices.

The International Bureaux (European Bureau, Pacific, Asia and Africa Bureau, and Western Hemisphere Bureau) provide the central departmental points of contact on matters affecting Canada's trade and economic relations with other countries and areas. The Bureaux are