

Secondly, American capital and American managers, engineers and other technicians are participating in Canadian natural resources development. Even though Canadians are financing the bulk of their resources and industrial development programme from their own savings - about 85 per cent of the total - we welcome American participation. For it hastens Canadian development and enables us to have the benefit of advanced technology in which the United States is the world's leading nation.

Americans in turn are participating in Canadian resources development for good business reasons. You secure a dependable source of important raw material supplies near at hand. The investment, if it is wisely made, is likely to bring many-fold returns in terms of dividend payments and capital appreciation - the latter particularly attractive to some investors, for we have no capital gains tax in Canada. No wonder then that Americans like investing in Canada. Over one fifth of United States foreign investment is in Canada and a similar proportion of dividends received by Americans from abroad comes from Canada. We are pleased by this demonstration of your confidence in our future and we understand your enthusiasm which at times leads you to pay a premium on the Canadian dollar.

We ourselves, in the midst of our good fortune, feel humble about it, for we recall that the tremendous resources that are available on the North American continent and that are being used increasingly entail both privileges and responsibilities.

Resources Entail Privileges and Responsibilities

In coming to the end of my remarks I would like to explain what I mean by privileges and responsibilities.

By privileges I mean the opportunity of using natural resources for the good of the country and of the individuals who make our free enterprise system work. The fact that the standard of living on the North American continent is the highest in the world and that in many fields advances in technology are unmatched abroad is perhaps some evidence that Americans and Canadians are making good use of two of their greatest assets: natural resources and the resourcefulness of our people.

By responsibilities I have three things in mind.

First, resources are not inexhaustible. Some are renewable, like forests, but others are not renewable, like mineral wealth. Unless waste is reduced, conservation is practised, and new development is encouraged, we are misusing the heritage that is ours. Anyone who has seen thousands of acres of forest go up in smoke, communities hard hit by rampaging waters, and dust storms playing havoc with fertile fields, will know what I mean. Increasing attention is being paid to this problem and encouraging results have already been achieved in both the United States and Canada.

Secondly, using our resources solely for war would simply hasten the end of civilization. Under present conditions using our resources solely for peacetime pursuits would invite war. There is, then, need for a balanced use of resources: Work for a fuller and happier life and be prepared and equipped to defend it when challenged. The very fact of being prepared