

### Similarity of Border Regions

This brings us to another of the enduring facts of Canadian-American relations -- the border. We are two nations and there are many reasons, both in past history and in the present, why we will remain so. At one time considerable importance was attached in Canada to the "north-south pull", as a factor tending to divide our country and tie the different regions closely to the neighbouring parts of the United States. In view of the heavy concentration of population along our common border, which stretches for close to 4,000 miles, it is natural that there should be a close affinity between the neighbouring regions on either side of it. However, most parts of Canada also have strong traditional ties of trade and sentiment with overseas countries, notably the Commonwealth and Europe. Moreover, it should not be forgotten that the neighbouring regions along the Canada-U.S. border frequently have similar climates and resources and are therefore competitors as well as customers of one another both in their own national markets and in the markets of the world. The forests in the Pacific Northwest, the cattle country in the foothills of the Rockies and the Prairies-wheatlands all straddle the international border. The fishing grounds of the Grand Banks and the Atlantic coastal waters provide a livelihood for many in the New England States, as well as the Atlantic Provinces. The principal manufacturing centres of Canada in Ontario and Quebec lie just across the St. Lawrence and the lower Great Lakes from the industrial heartland of the United States.

### Changing Pattern of Trade

As you move away from the border, the differences of climate and resources increase, providing the basis for a great part of the trade between the two countries. Our abundant reserves of hydro-power, forest products and metallic ores extend down to the border at some points but they are mainly concentrated in the more northerly regions. Here originate some of our major exports to the United States, such as aluminum and most of our newsprint, non-ferrous metals and iron ore. Similarly, two of our principal imports from the United States -- cotton and citrus fruits -- are produced in the distant Southern States and California. There are, however, few commodities in our trade which fall into the same category as newsprint and cotton, where the one country supplies almost the whole requirements of the other. In most fields, the U.S. and Canada are both competitors and customers of one another. The balance between these two aspects of our relationship is continually changing as our economies grow and develop. This is in fact the source of many of the economic frictions and difficulties which arise between us.

At one time Canada was only a marginal supplier of non-ferrous metals to the United States. With the progressive exhaustion of high-grade reserves in the United States and the