QUESTION (14):

What is the current state of Canadian-United States relations and what was their evolution over the past 12 months?

ANSWER:

Regarding Canada's relations with other nations, those with the United States are both the most important, and the most difficult, as they cover such a range of subjects and interests. In any issues that may arise between our two countries, the role of the Government, as we see it, is to help create an atmosphere, a framework, in which consultation and co-operation can take place at all levels, governmental and non-governmental, with due respect to each other's rights and interests. Because we have kept this objective constantly in mind, progress has been made on a number of matters which a year or so ago were regarded as very critical. For example, shipping on the Great Lakes, which had been disrupted, began to move freely again. Negotiations concerning the Columbia River Treaty, which had been stalled, were resumed, and today work is about to begin on a large scale on projects which will bring to both countries the benefits of vast new supplies of low-cost hydro-electric power - and improved flood control in an area which, as we have seen during the past few days, is sometimes subject to devastating floods. In energy matters generally - electricity, oil, gas and so on - new opportunities for co-operation are continuously being examined. An intensive study is also being made of basic principles which might guide relations between our countries in economic and other areas.

Through the International Joint Commission, Canada and the United States have recently embarked on an investigation of the problem of the levels of the Great Lakes - a matter of vital importance to both countries.

Constructive discussions have been taking place with the United States over most of the past year about the trade in automotive products between the two countries. In these discussions good progress has been made towards a more rational and economic basis for relations between these major sectors of our two national economies.

The resolution, shortly after the present Government took office, of controversial issues regarding nuclear weapons has facilitated co-operation on North American defence matters. These matters were reviewed at the meeting of the Canada-United States Ministerial Committee on Joint Defence at Washington in June 1964.

Many consultations have taken place during the past year between the President and the Prime Minister, between Secretary Rusk and myself, and at other levels, regarding various world problems. We have not always agreed but we have tried to understand each other's point of view.

In sum, both countries are showing a capacity for dealing with the problems that confront them in an adult and sensible manner that augurs well for the future.

s/c **8315**⁵⁴