

The opening up of the rich Ungava iron fields is another example of United States enterprise. I could cite many, many others. At the end of 1955, United States investments in Canada were valued at \$10.3 billion, a good deal of it concentrated in a few industries, principally oil and gas, mining, automobiles and the electrical industry, but large amounts also invested throughout our industrial structure.

Some of this is borrowed money; some represents minority stock holdings in Canadian companies; a great deal of it represents investment in wholly-owned subsidiaries in Canada, in other words in Canadian branch plants. All of it is welcome in Canada. There is in Canada, and I feel confident there will continue to be, no discrimination against outside capital. I hope that United States capital and enterprise will continue to be freely available to us. We need it. 1956 is the biggest capital investment year in our history. 1957 promises to be as big, if not bigger.

I do have a word of advice, however, to those who plan to establish branch plants in Canada or who are already operating them. Remember that these branch plants are in Canada, not in a state of the Union. They may be closer than branch plants in California or New Mexico but they are still in a different country. We are just as pro-Canadian as you are pro-American. We believe in the Canadian way of life, just as you believe in the American way of life. You will be more successful in doing business in Canada, therefore, if you Canadianize your branch plant operations as far as possible. To be specific, I suggest that you give Canadians a chance to buy stock in your Canadian companies, that you give Canadians, when they are qualified, a chance to manage your Canadian operations, and that you publish the financial results of your Canadian operations. Many United States companies already operate their Canadian plants on these principles with marked success. They have given Canadians both an interest and a stake in the success of their operations, which I suggest is good business for all concerned.

What I have been saying about the operations of United States controlled plants in Canada is capable of application to other aspects of our economic relationships. Consider, for a moment, trade between Canada and the United States. Canada is the best customer of the United States. The United States is the best customer of Canada. Trade between our two countries is greater than between any other two countries, amounting last year to \$6 billion.

But, too often, or so it seems to us in Canada, Americans take it all for granted. They take it for granted, for example, that Canada will continue to buy every year a billion dollars more from the United States than the United States buys from Canada. Americans apparently take it for granted that they will continue to be able to bring raw materials from Canada while placing high tariffs against imports of Canadian manufactures and threatening still further restrictions.