

WORLD PEACE AND INTERNATIONAL TRADE POLICIES

MR. ST. LAURENT'S ADDRESS: In an address before the International Municipal Congress at Montreal on September 23, the Prime Minister, Mr. Louis S. St. Laurent, urged the United States to help remove the threat of Communism by the adoption of more liberal commercial policies and exerting leadership in solving the world's dollar problem.

Canadians, he said, asked for no special favours, "but we would like to feel that we know where we stand in our commercial relations with each other as in every other aspect of our relations, and we would like to be sure we are not standing on sands that are apt to shift between one season and another."

Mr. St. Laurent said, in part:

"Ever since the war, the official policy of Canada has been to work increasingly for the expansion of multilateral trade. That, I am happy to say, has also been the official policy of the United States. We in Canada are also anxious to keep our trade with the United States at the highest possible level. And there is a close connection between trade and friendship...."

WORKING RELATIONSHIP

"At the national level I believe it is true that no two countries enjoy a better working relationship than Canada and the United States. And one of the reasons is that we have always tried to discuss our problems frankly and to solve them in the common interest of both. For there is no use pretending there are no problems or that Americans and Canadians do not sometimes get a bit irritated with each other over some of their problems.

"And one problem that is always with us and where individual Americans and Canadians don't always see eye to eye is the very problem of maintaining a high and fairly constant level of trade between the two countries. Of course, everybody -- or nearly everybody -- believes in the broad objective. Where the difficulties come is in carrying it out.

"We in the Canadian Government invariably find that in most official quarters in the United States, the Canadian position on trade is pretty well understood or if it is not, most of the people we deal with make a serious effort to understand our position and to deal with our views as sympathetically as they can. They agree that trade, as free as possible, is absolutely vital to the wellbeing of this Canadian nation and that it must maintain its position as one of the foremost trading nations of the world. They know that if Canada is to prosper and to remain a strong and helpful neighbour the exchange of a large volume of goods and services between our two nations must be a continuing and continuous process.

"There are, however, some interests in the United States, just as there are in Canada,

honest hard-working people for the most part, but we believe misinformed people, who seem to think trade can be turned on and off like the water behind a tap to suit the conveniences of a particular moment and a particular group. The argument is always the same: some particular interest in one country wants to be protected from the competition of the other -- it is always unfair competition in their eyes.

"But the real fact is that new or sudden impediments to legitimate trade are apt to ruin honest and hard-working people, and we know they can have drastic consequences particularly for a nation like Canada, a nation which, because of climate and geography, must in order to maintain a decent standard of living for its people, sell large quantities of its products on the markets of the world or we won't have the money to buy in great quantities in world markets the things we need and do not produce ourselves.

"Trade after all is a means to an end -- and the end is as good a standard of living as possible for those who take part in this form of international co-operation...."

"If we Canadians, or any other trading nation for that matter, are unable to keep our trade at a high enough level our standard of living suffers, there is bound to be unemployment, unrest and, if it goes far enough, a depression with all its evil consequences both social and political.

THREAT OF COMMUNISM

"And most of us know that we will never remove the threat of Communism or have real peace in the world unless there are opportunities for the ordinary human being to provide for the security of himself and his dependents. Of course, in dealing with Communism, more than just material factors must be taken into account. This is a struggle for men's minds. But a man's mind is much more receptive to communistic theories and ideas if he feels his own society does not give him a chance to look after his legitimate material needs.

"Canada's biggest market is found in the United States. But what is not always realized to the same degree, Canada is the biggest market for United States exports. In other words, we are each other's best customers. In fact, in 1952, 54% of our total exports went to the United States. And, while I am not sure of the exact statistics, I do know you ship more to us and provide us with more services than you do for any other single nation of the world. And yet, although your population is ten times the size of ours, we Canadians buy more from you Americans than you buy from us.

"Even though you do ship us such a large amount and do a fair-sized volume of trade with the rest of the world, you have such a large internal market that foreign trade as a