Everyone here has close business relations with our country. Everyone here has visited Canada on business or on pleasure, sometimes on business and pleasure mixed in varying proportions.

Canadian-American relations are so good that we are led to take them much too much for granted.

Since the population of the United States is eleven times as large as Canada's, it is natural that in Canada we should be far more conscious of the facts of life and business and politics in the United States than you are of ours.

Sometimes this is a good thing.

This partial blackout is not merely a factor of size. While we appreciate and thank our stars for the similarities of our ways of life and standards of living in the two countries, it isn't a bad thing now and then to recognize that there are some differences as well.

Canadians may be regarded as, and often are, dour and dull and lacking in colour, but on the other hand, these defects viewed from another angle show a different set of facets, of solidarity and responsibility.

Whatever differences there are in the modes of life in our two countries, they are not nearly as great as are the similarities. Indeed, there are no two peoples on the face of the earth who have so much in common.

And there are no two peoples on the face of the earth who have so much at stake in a common security.

The process of arbitration epitomizes peace; arbitration is an essentially peaceful way of settling a dispute; arbitration can only be carried on between people who trust each other irrespective of their size; and arbitration makes for peace. For these reasons I am glad to have had something to do with the development to which you have referred.

But now that peace is threatened and we have found that it can only be preserved by strength, I am glad to have something to do with our work together for our common defence and, like you, I hope that our work will succeed in preserving the peace.

No two countries in the world have closer arrangements for their common defence than we have together.

The extent of this co-operation is not generally appreciated. Let me summarize it:

- (1) The general staffs of Canada and the United States have complete agreement on doctrine, plans and preparations for the joint defence of North America.
- (2) We have interchanges of officers for training, instruction and liaison at many different levels: