

## NORTH AMERICAN FORMULA FOR PEACE

**MR. MARTIN IN NEW YORK:** "If the world wants a formula for peace, it should look to this continent," said the Minister of National Health and Welfare, Mr. Paul Martin, in an address to the Economic Club of New York on March 9.

"Here the United States and Canada have proved to all peoples that two nations can live together side by side, not in fear but in friendship," he added. "Over the years, our two countries have demonstrated again and again the value of getting together on problems of mutual concern.

"It seems to me that the real significance of United States-Canadian relations is that, for a century and a third, we have had peace in spite of differences - friendship in spite of difficulties. It is a comparatively simple thing, you know, to keep the peace when there is nothing to quarrel about. Well, we have had our disputes; but we have settled them! Sometimes we have had to talk frankly to one another, but by calm discussion we have managed to solve every problem that has threatened our friendship.

### ROUSE'S POINT FORT

"A case in point was Rouse's Point. This was the name given to an American fort constructed about a hundred years ago which was found - to the great embarrassment of the United States Government - to have been built on Canadian soil as the result of a surveyor's mistake. In some parts of the world this discovery would have touched off an 'incident' and might conceivably have led to war. But Canada simply moved its border back a bit so that your people wouldn't have to bother tearing down the fort.

"I don't know whether the aggressive surveyor was fired as a 'subversive' for this act of 'territorial expansion' but, in return, your country has seen to it that there hasn't been a loaded gun in the fort ever since.

"At the present time, Canadians are worried - perhaps that is too strong a word - about a more serious problem. As a people whose prosperity depends to a considerable extent on foreign trade, we are somewhat concerned about your long-term commercial policies. For this reason, we welcomed President Eisenhower's statement in Ottawa last November:

"The free world must come to recognize that trade barriers, although intended to protect a country's economy, often in fact shackle its prosperity. In the United States there is a growing recognition that free na-

tions cannot expand their productivity and economic strength without a high level of international trade....

"A week from today the first meeting will be held in Washington of the Joint United States-Canadian Committee on Trade and Economic Affairs. This Committee, originally proposed by our Prime Minister during his Washington visit last May, will provide an opportunity for our two Governments to consider at the ministerial level those steps that can properly be taken to improve economic relations and to encourage the flow of trade between our countries - having due regard for the interests of other nations."

The Minister then proceeded to give an outline of Canadian post-war expansion, saying, in part:

### EXPANSION PERIOD

"Since the end of World War II, the Canadian economy has undergone a greater expansion than at any previous time in its history. Indeed, Canada, in the last eight or nine years, has experienced a rate of business and industrial development never before achieved by a nation of 15,000,000 people. Translated into human terms this has meant higher standards of living, increased leisure and a vast improvement in the health and well-being of our people.

"Since 1945 Canada has doubled its national production, an increase in real terms of 24 per cent; witnessed the greatest investment activity in its history totalling some \$30 billions; kept its finances in a state of solvency while most governments were keeping their books with red ink; invested a dollar abroad for almost every dollar invested in Canada; and set new production and employment records and provided its people with the highest real incomes in their history.

"And we Canadians feel that our period of expansion is not yet over. On the contrary, in spite of certain temporary set-backs and adjustments in particular industries or localities, we have confidence in the continuation of high levels of economic activity throughout 1954 and for some time to come. And we hope that your people share in that confidence - as many who have invested in our future obviously do. For 1954, we forecast a capital expenditure programme of \$5.8 billions - roughly 3 per cent above the previous record achieved last year...."

He then went on to discuss Canadian and U.S. economic policies, social measures, defence effort and hopes for peace.