

"Each country will determine the extent of its practical collaboration in respect of each and all the foregoing principles."

Also:

"Either country may at any time discontinue collaboration on any or all of them."

Perhaps the greatest weakness in maintaining effective control over joint stations in the Far North is our lack of transport. Even though a station is under Canadian command with most of the personnel Canadian, our control is far from satisfactory if no one can reach or leave the station except in United States ships or planes. Many of us hope that the time will come when our isolated stations in the north can be fully supplied by Canadian transport. I realize that this is partly and perhaps mainly a question of men and money. Additional ships and planes would be needed and additional men to man them. This is not, however, the whole story. With the men and material now available we could perhaps do more than we are now doing in the Arctic and thus at the same time gain valuable experience and perform services now undertaken by our neighbour. It may be that a re-orientation of our thinking is required. In the past we have been accustomed to look for our security eastward across the Atlantic. We felt that was where we would fight. Now it is of equal importance that we look northward to the Arctic.

We have taken other steps to ensure control over all military activities in our territory. It has been made clear to our United States friends that any United States activities whether by land, sea or air, on or over Canadian territory, must be within the limit of a programme previously approved by the Canadian Government. And of course, before approval is given, we ask that there be substantial participation by Canadians and that all information obtained, whether of a scientific nature or otherwise, be made available to us. The same principles apply conversely to the United States.

Now if we proceed in our defence collaboration with the United States along the lines I have indicated, is there any real threat to our independence or freedom of action? I do not think so. If the United States wanted to take over Canada there is probably little we could do to prevent it. What they could do directly, they are not likely to try to do by infiltration. Fortunately for us there are no indications that the United States have any such intentions; and fortunately for the United States we are not apt to be the kind of people they would ever feel it was necessary to coerce.

If we then can welcome close defence collaboration with the United States, can we equally welcome closer economic ties? This is a big question which I cannot answer today. Because of our dwindling United States dollar resources the Government in November last prohibited or restricted the importation of a large number of United States goods. These steps, though accepted as a necessary evil on both sides of the border, have spurred resourceful persons to suggest less painful solutions. The most far reaching was the proposal for customs union made in "Life" magazine a few weeks ago. You may have read the editorial entitled - "Customs Union with Canada: Canada needs us and we need Canada in a violently contracting world." This article has set off a debate in our press and periodicals but so far it has not reached the floor of the House and I can assure you that no proposals of that kind are under consideration by the Government. An adventure of that kind is one which would not be embarked on lightly.

There are obviously very serious political objections to a customs union between Canada and the United States. But no such