

of protecting the Canadian balance of payments position vis-a-vis the U. S. A., which was being subjected to very heavy pressure by virtue of the heavy shipment of war goods from Canada to the allies. The implementation of the Hyde Park Declaration involved an entirely unprecedented co-ordination of the economies of our two countries, contributed important material benefits to both countries and expedited the successful termination of the war.

The economic agreement announced at Hyde Park has never been terminated. In May of 1945 your government proposed to our government that the general principles of the Hyde Park declaration be continued on a fully reciprocal basis in the post-war transitional period. The Canadian government concurred and an exchange of notes in May 1945 confirmed the extension of the principle of the Hyde Park Declaration.

You may be asking yourselves why I have taken such great pains to stress matters which are largely of historical significance. There is a profound parallel between the problems of the war and the problems which are now facing both our countries. The material needs of our friends and allies for reconstruction are proving to be far greater than had been anticipated. Contributions are being made today which are introducing the same pressures and need for an integrated effort. The parallel is complete even down to the balance of payment difficulties which Canada is facing vis-a-vis the U. S. A.

Canadian-American co-operation during and after the war has by no means been limited to bilateral arrangements. Your country as the strongest and most powerful nation in the world, in co-operation with your friends and allies, shouldered the responsibility of launching a number of international institutions directed to the restoration of a multilateral trading and finance system.

As early as November 1942, the United States and Canada reached an agreement that looked forward to expanding their bilateral co-operation into world co-operation. They agreed that they would:

"seek to furnish to the world concrete evidence of the ways in which two neighbouring countries that have a long experience of friendly relations and a high degree of economic interdependence, ... may promote by agreed action their mutual interest to the benefit of themselves and other countries."

This titanic programme is now almost complete. A month ago the World Conference at Havana produced the Havana Trade Charter and prepared the blueprints for the International Trade Organization which will complete the three cornerstones for the long-term restoration of a rational trading and exchange world. In all this work Canadian Delegations played an active and effective role in reaching broad agreement. Since United States and Canada have worked so closely together in matters of bilateral interests we have found it comparatively easy to co-operate in the multilateral sphere and inspire other countries to do likewise.

Enlightened self-interest told us, as it told you, that the mere creation of international economic institutions would not suffice to restore the type of trading world and economic environment on which the welfare of both our nations depends. During the war we had believed it wise to furnish billions of dollars of goods free of charge to the United Kingdom and our other allies as direct gifts or as mutual aid, the Canadian equivalent of lend-lease. In the closing stages of the war and the immediate post-war period, we had continued to play our full part by contributions to military relief, to UNRRA, to post-UNRRA, and to other forms of international relief. Comparisons are invidious and I am not making this statement with a view to writing comparisons or in any way to detract from the truly magnificent