

With that background, you may see Canada as a proud and independent country, determined to pursue its destiny on the northern half of this continent. We have grown strong industrially; we are aware of our great natural resources; we see a future of promise before us; we are playing an active part in world affairs. Among our international interests, we place a high value on our link with the United Kingdom and the Commonwealth, and similarly we place high value on our friendly co-operation with the United States, our closest neighbour. We stand firmly on our own. We have never asked nor received any financial assistance from you. We seek no favours or special assistance, but consider that, between our two countries, inextricably linked together in continental defence, equally determined to uphold the cause of freedom, there should be a partnership based on mutual respect and good faith and complete trust.

That, I think, should be the basis of our relationship. It is strengthened every year by the constant and increasing inter-mingling of our peoples, as business association becomes enlarged, as the tourist industry develops and as we work together in the international field towards the same objective of world peace and security. However, to ensure the maintenance of close partnership, there must be a clear understanding, on both sides of the border, of the history, political movements and economic factors of both our nations.

#### Trade and Economic Relations

Canada is a country of 17 million people. In 1840, that was the size of your population now increased to ten times that number. Your development was extraordinarily rapid in the 19th century and in the early years of the 20th century, as millions of immigrants flooded into the United States, and as capital came from abroad to stimulate and expand your economy. You have become the world's most highly industrialized and most powerful nation.

The economic growth of Canada in the same period was much slower than yours, but it has now quickened and we have become one of the leading industrialized nations and the fourth largest trading nation. On a per capita basis, our commodity trade is  $3\frac{1}{2}$  times that of the United States.

In recent years, our gross national product has been expanding more rapidly than that of the United States or the United Kingdom. If present trends continue, our population should be doubled in about twenty-five or thirty years and our national income and national output will exceed that of the United Kingdom. With our great natural resources, we are destined to play an increasingly important role in world trade.