

There have been times when shortsighted tariff policies on both sides threatened to raise almost insurmountable barriers. But the need to exchange goods was so imperative that trade flourished despite artificial obstacles. The reciprocal trade agreements of 1936 and 1939 made possible a sensible reduction of tariff rates, and paved the way to our present phenomenal trade.

Something more than commercial agreements, however, is required to explain why Canada and the United States exchange more than two billion dollars worth of goods a year. Ambassador Atherton has aptly given the reason as not "free trade", but "the trade of free men". That record flow of goods and the high standard of living it indicates, on both sides of the border, provide a practical demonstration of the benefits of the democratic way of life and a free economy.

The benefits of our democratic governments and free economies operating side by side have spread beyond our countries to the advantage of the whole world. Both nations expanded their productivity enormously during the war and both escaped the physical damage that afflicted other countries. As a result, Canada and the United States emerged from the war as the only major sources of the industrial products and the food upon which much of the world depends for survival.

Canada has responded as nobly to the challenge of peace as she did to that of the war. Your wheat has fed millions who otherwise would have starved. Your loan has strengthened Britain in her valiant battle for recovery.

The United States is particularly gratified to find Canada at our side in the effort to develop the international Trade Organization. We attach great importance to this undertaking, because we believe it will provide the key to the welfare and prosperity of the world in the years immediately ahead.

In sponsoring the International Trade Organization, the United States, with the co-operation of Canada and other countries, is making a determined effort to see that the inevitable adjustments in world trade as a result of the war will result in an expanding volume of business for all nations.

Our goal is a vast expansion of agriculture and industry throughout the world, with freer access to raw materials and markets for all nations, and a wider distribution of the products of the earth's fields and factories among all peoples. Our hope is to multiply the fruitfulness of the earth and to diffuse its benefits among all mankind.

[Mr. Truman.]

At this critical point in history, we of the United States are deeply conscious of our responsibilities to the world. We know that in this trying period, between a war that is over and a peace that is not yet secure, the destitute and the oppressed of the earth look chiefly to us for sustenance and support until they can again face life with self-confidence and self-reliance.

We are keenly aware that much depends upon the internal strength, the economic stability and the moral stamina of the United States. We face this challenge with determination and confidence.

Free men everywhere know that the purpose of the United States is to restore the world to health and to re-establish conditions in which the common people of the earth can work out their salvation by their own efforts.

We seek a peaceful world, a prosperous world, a free world, a world of good neighbours, living on terms of equality and mutual respect, as Canada and the United States have lived for generations.

We intend to expend our energies and to invest our substance in promoting world recovery by assisting those who are able and willing to make their maximum contribution to the same cause.

We intend to support those who are determined to govern themselves in their own way, and who honour the right of others to do likewise.

We intend to aid those who seek to live at peace with their neighbours, without coercing or being coerced, without intimidating or being intimidated.

We intend to uphold those who respect the dignity of the individual, who guarantee to him equal treatment under law, and who allow him the widest possible liberty to work out his own destiny and achieve success to the limit of his capacity.

We intend to co-operate actively and loyally with all who honestly seek, as we do, to build a better world in which mankind can live in peace and prosperity.

We count Canada in the forefront of those who share these objectives and ideals.

With such friends we face the future unafraid.

Mr. MACKENZIE KING: I call upon the Speaker of the Senate and the Speaker of the House of Commons to express the thanks of Parliament to the President for the address which he has just delivered to us.

Hon. J. H. KING (Speaker of the Senate): Mr. President, it is my privilege, more particularly on behalf of the members of the Senate,