

other countries the opportunity to sell competitively in the American market, they are prevented from earning dollars needed to buy more from you or even to pay you for what they already bought. We in Canada know little about lobbying activities in Washington - it seems to us that the American consumer and American export industries are far less effectively organized than your industries catering to the domestic market. Perhaps this is an interesting field for examination by newspaper editors turned statesmen.

In any event, come an emergency, all the high-cost mines of the United States taken together cannot possibly meet strategic raw material requirements. You have to come to other countries and Canada, being your next door neighbour, is one of your most natural sources of supply.

Canadians Do Not Like Being Marginal Raw Material Suppliers

Frankly, Canadians do not like being marginal suppliers to whom Americans turn in wartime only - to be forgotten as soon as peace returns. Here are some reasons:

It isn't good business, for important non-renewable natural resources are wasted in the process.

It isn't good protection, for in an emergency, when survival of the free world is at stake, raw materials may not be available in the quantities and at the places they are most urgently needed.

It isn't in the interest of raw material consuming industries and the general consuming public in the United States to whom access to low-cost resources is denied.

It isn't in line with established United States-Canadian trade relations, whose mutual benefits have been firmly established over a long period of fruitful commodity interchange.

Canadians are sympathetic towards the problem that your Congress and Administration face. What can you say to a smelter operator in Hillsboro, Illinois, who has to suspend operations because of a drop in domestic demand or because of increased foreign competition, or both?

Canadians and Americans Face Similar Problems

We understand your problems because we also face them at home. The problem of your smelter operator in Hillsboro is not much different from that of the Canadian textile manufacturer in Cornwall, Ontario or Marysville, New Brunswick, who have to close plants because of the large increase in imports of lower priced textiles from the United States.

The Canadian Government and some Canadian producers have had to recognize that there has been some over-expansion; that it is not a peculiarly Canadian problem; that it is a world-wide problem and that we have to adjust ourselves to it the best way we can. We do not believe it is a good thing for the Government to interfere in the flow