

VERNMENT



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CANADA IN TODAY'S TRADING WORLD

An address by Mr. C.D. Howe, Minister of Trade and Commerce, to the Massachusetts Institute of Technology Club of New York, on December 6, 1949.

I am happy to be with Tech graduates this evening, even though I am on the speakers' list. While I have not been closely associated with the affairs of M.I.T., I have followed its progress with great interest. Having entered M.I.T. as a student as long ago as 1903, my interest extends back over 50 years. I am looking forward to the report of President Killian on the condition of the Institute at the close of the first half of this century.

The reputation of M.I.T. in Canada is as high as it is in the United States and many other countries. Canadian engineering students have been going to Tech in considerable numbers, either for graduate or post-graduate work, with the result that Tech men are scattered all over Canada. Our National Research Council keeps in close contact with the Institute and frequently retains members of its staff for special work. Canada is fortunate in having access to the engineering experience that has been developed in the United States over the last fifty years, and has been able to reciprocate by giving this country access to such special skills as have been developed in Canada. This interchange has not been confined to engineering fields, but has been the rule in other professions and in industry and commerce generally. Happily there is no tariff between us on ideas.

The Canadian Government is somewhat unique among governments in that it includes two engineering graduates among its twenty members. It happens that both are graduates of M.I.T. Neither I nor my colleague are at present heading engineering departments, as I am responsible for Canada's external trade, while my colleague heads the Reconstruction Department. However, I hope that between us, we have succeeded in adding something of Tech colour to the work of government.

In speaking to you this evening about developments in international trade, I am giving you a Canadian viewpoint on a situation that is causing concern to all thoughtful people. My remarks will have to do particularly with trade between our two countries, brought about by recent changes in the pattern of world trade generally. The threatened breakdown of world trading relations is being widely discussed at the moment, and I have been particularly impressed with recent statements on the subject by Secretary of State Acheson, Mr. Paul Hoffman and Mr. Donald Gordon, Deputy Governor of the Bank of Canada. My thought is that a wider understanding of the situation may lead to steps that will avoid a breakdown of world trade, such as occurred in the early 1930's, and which had much to do with the depression of that period.

Both Canada and the United States are trading nations. Your country stands first among exporting nations, while Canada stands third, with the United Kingdom in between. Both Canada and the United States require markets abroad for our surplus production, the alternative being a glut of certain commodities and a resulting drop in the level of both