

not maintain an independent staff. Accordingly the facilities and the personnel of government departments and agencies of the United States, Canada and also of the Province of British Columbia have been placed at the disposal of the Commissioners. I am confident that it will be possible for the Commission to report soon recommending principles which will be acceptable to the governments concerned. Such principles, with respect to the determination and division of benefits, should reduce materially the period required for completion of an international agreement.

The immense volume and complexity of Canada-United States economic and commercial relations inevitably create many difficulties and problems. These receive a great deal of publicity which sometimes tends to obscure the fundamental fact that our mutual economic relations are on the whole extremely profitable and advantageous to both sides. This is the starting point from which we must examine the particular, and often very important, difficulties which turn up from time to time, such as questions arising from the operation of Canadian subsidiaries of United States companies and, related to this, the problems sometimes encountered in the attempted extraterritorial application of United States legislation and policy.

I have in mind such matters as United States anti-trust proceedings and the effect of United States commercial or strategic policy on Canadian subsidiary companies. We have also had problems in our various agricultural sales and disposal policies and in connection with restrictions or limitations by one country on imports from the other. Such problems are a continuing and natural consequence of our closely interlocked economies. They are not problems which are susceptible of any general or final solution, and genuine differences in our interests must be faced frankly; but I believe most of these problems can be met to the mutual satisfaction of the two countries if we continue to tackle them in a spirit of good will and friendly co-operation, always bearing in mind the great mutual gain arising from our commercial and economic dealings with each other.

I am particularly pleased to be able to say that in recent months there have been a number of very important developments or decisions in the United States which have favourably affected Canadian interests and have reflected a responsible and co-operative attitude in the United States toward relations with Canada and other friendly countries. I have in mind, for example, the modification of the United States oil import provisions, as they affected Canadian oil transported by land; the removal of obstacles to transit shipment of certain goods--including, I think, canned shrimp--and the favourable modification of "buy American" requirements on United States defence orders.