

merit careful consideration not only by government but by American as well as Canadian businessmen and business organizations.

One more point before I leave this subject - the soundness of much recent United States direct investment in Canada will obviously depend on the availability of markets outside Canada. American investors have therefore a very intimate interest in Canada's ability to export if they wish the enterprises into which they have put their money to prosper. This is an interest which should be shared by all those in the United States who export to Canada - your largest market. Our ability to buy from you and to repay you for your investment is directly linked to our ability to earn dollars from you and from the rest of the world. This leads me to say a few words about trade policies.

Customarily Canadians - a population only one-tenth as large - buy much more from the United States than Americans buy from Canada. Last year our current account deficit with you was \$810 million and since the beginning of 1950 the total of such deficits has been nearly \$4 billion. Leaving aside capital receipts, a substantial part of this deficit is usually financed from surpluses we currently earn from other countries. Thus, our ability to import, and indeed our standard of living, is vitally affected by our capacity and that of our countries with whom we trade, to earn from you. In this process, access to the United States market for us and for our customers is obviously of great importance. Small wonder then that the Canadian Government and Canadian businessmen follow anxiously every development which affects the foreign trade policy and practice of the United States.

In the years since the war, the ultimate economic objective of the United States and Canada, in world affairs, has been the same - a prosperous trading community in which barriers to the movement of goods are at a minimum and current international payments can be made without restriction. This aim has been incorporated in a variety of international instruments and declarations - of which the most notable are the Articles of Agreement of the International Monetary Fund and the General Agreement on Tariffs and Trade. And this objective has been re-affirmed in countless statements of national policy here and in Canada. Your government and ours are convinced that the strength - even the survival - of the alliance of free nations, at whose head you stand, requires a solid foundation and that this can only be constructed by enlightened policies in trade and economic affairs.

In these matters the position of the United States is clearly of the greatest importance. The rest of us - your partners - must recognize that the pace at which you move towards our common goal will be determined by yourselves alone. But it is at least equally true that your partners in this long and arduous voyage will be powerfully influenced by your example. and it would be idle to pretend that other countries - including my own - have not been concerned by the fact that your President's trade programme has not made faster progress and that your government - despite their resistance to many claimants - have felt bound to take restrictive decisions in some recent cases. When I mention Canadian anxieties on this score I do not wish to think