



## REFERENCE PAPERS

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

No. 18  
(Revised June 1950)

CANADA AND THE UNITED STATESCONTENTS

Factual Summary	p. 1
Good Neighbourhood	p. 1
Continental organizations	p. 1
Movement of population across the border	p. 1
Local co-operative projects	p. 1
Common concern for wildlife	p. 2
The undefended frontier	p. 2
Historical note	p. 2
The International Joint Commission	p. 2
Wartime Economic Co-operation	p. 3
Permanent Joint Board on Defence	p. 3
Joint Defence Exercises	p. 3
Common Economic Interests	p. 4
Trade statistics	p. 4
Transportation links	p. 4
Investment and finance	p. 5
Mutual interest in continental resources	p. 5
Great Lakes-St. Lawrence Basin Agreement	p. 6
Interplay of Culture	p. 6
Art	p. 6
Music	p. 6
Theatre	p. 6
Sports	p. 7

CANADA AND THE UNITED STATES

No. 18  
(Revised June 1950)

CONTENTS

p. 1	General Summary
p. 1	Good Neighbourhood
p. 1	Continental organizations
p. 1	Movement of population across the border
p. 1	Local co-operative projects
p. 2	Common concern for wildlife
p. 2	The Unbordered Frontier
p. 2	Historical note
p. 2	The International Joint Commission
p. 2	Maritime Economic Co-operation
p. 2	Permanent Joint Board on Defence
p. 2	Joint Defence Exercises
p. 4	Common Economic Interests
p. 4	Trade statistics
p. 4	Transportation links
p. 5	Investment and finance
p. 5	Mutual interest in continental resources
p. 6	Great-Lakes-St. Lawrence Basin Agreement
p. 6	Interplay of Culture
p. 6	Art
p. 6	Music
p. 6	Theatre
p. 7	Sports

## CANADA AND THE UNITED STATES

(For the information of editors, this paper on the subject of Canadian-United States relations is based on the facts stated below.)

### Good Neighbourhood

About 14 out of every 100 persons born in Canada and now alive are living in the United States.

Some 350,000 persons of United States birth have made their homes in Canada.

It is estimated that in a single year the border is crossed at least 30 million times by citizens of both countries.

The shortest rail route between Montreal and Saint John, New Brunswick, lies through Maine: United States trains from Detroit to Buffalo take a short cut through Ontario.

Workers from both countries co-operate each autumn in harvesting grain from Texas to Canada's northern prairies.

"Ducks Unlimited" is a private organization formed in the United States which administers from Winnipeg some two hundred sanctuary areas in Manitoba and Alberta.

The standard of living of Canadians is similar to that achieved in the United States; for example, one out of every seven Canadians drives his own automobile, and there are about 18 telephones for every 25 households.

Canada's largest trade union bodies, the Trades and Labour Congress of Canada and the Canadian Congress of Labour, both include unions affiliated with their United States counterparts.

The towns of Calais, Maine, and Milltown and St. Stephen, N.B., for many years have pooled their water supply, hospital services and fire-fighting equipment.

A joint newspaper edition was issued in November 1949 by the Prince Rupert, British Columbia, Daily News and the Ketchikan, Alaska Chronicle.

Canadian-United States teams conduct annually a joint waterfowl survey in four of Canada's provinces and the Northwest Territories.

### "The Undefended Frontier"

Any boundary problems which arise are referred to a standing International Boundary Commission.

By the Boundary Waters Treaty of 1909, permanent machinery for the settlement of disputes was established in the International Joint Commission. The International Joint Commission concerns itself with a variety of topics: for example, flood control on international rivers or the possibilities of joint power projects on boundary waters.

#### Wartime co-operation and joint defence

Many Canadians served in the ranks of the United States, and in the Canadian forces some 15,000 persons wore the initials "U.S.A." on their Canadian uniforms.

The Hyde Park Declaration of April 1941 achieved a unique economic co-ordination for war purposes.

The Ogdensburg Agreement of August 1940 set up the Permanent Joint Board on Defence, the existence of which was extended by both governments on February 12, 1947.

The Joint Industrial Mobilization Planning Committee was formed on April 12, 1949, to co-ordinate plans for industrial mobilization in the event of an emergency.

Many practical exercises in joint defense have been carried out by the two countries: for example, Exercise Metropolis; naval exercises in the vicinity of Pearl Harbour; Exercise Sweetbriar, etc.

#### Common Economic Interests

In 1949 the United States sold to Canada nearly 1,900 million dollars' worth of goods: Canada is the United States' best customer.

About 50 per cent of Canada's total exports in 1949, worth about 1,500 millions, went to the United States.

This exchange of goods is aided by transportation systems which both countries use freely. For example, the St. Lawrence-Great Lakes Waterway penetrates the continent for 2,350 miles, and the first barriers between Montreal and the Thousand Islands have been circumvented by 35 miles of Canadian canals.

Upwards of 8,000 miles of Canadian-controlled railroads in the United States are linked with their parent systems in Canada.

Fifteen hundred miles of United States-controlled railroad track is operated in Canada.

Highways and airlines operate on a similar system at border junctions.

The total amount of investments in Canada held in the United States stood at \$5,588 million (Canadian) in 1948.

Interest and dividends in the estimated amount of \$325 million crossed the border into the United States from Canada in 1949.

Canadian investments in the United States on a per capita basis are considerably greater than United States investments in Canada.

The most recent of several treaties regarding fishing rights is the Halibut Fishing Convention of March 1950, whereby fishermen are granted certain reciprocal privileges in west coast ports of Canada and the United States.

An equitable sharing of more Niagara water for power production was arranged in the Niagara Diversion Treaty of February 1950.

#### Interplay of Culture

One of several exhibitions of Canadian paintings in the United States was that at Boston a year ago, when 100 Canadian works of the last 40 years were shown.

The Oklahoma State Symphony Orchestra recently dedicated one of its programmes to the works of modern Canadian composers.

Hockey and baseball are largely international sports.

Canadian investments in the United States on a per capita basis are considerably greater than United States investments in Canada.

The most recent of several treaties regarding fishing rights is the Halibut Fishing Convention of March 1955. Wherry fishermen are granted certain reciprocal privileges in west coast ports of Canada and the United States.

An enthusiastic sharing of more Niagara water for power production was arranged in the Niagara Diversion Treaty of February 1950.

Interplay of Culture

One of several exhibitions of Canadian paintings in the United States was that at Boston a year ago, when 100 Canadian works of the last 50 years were shown.

The Oklahoma State Symphony Orchestra recently dedicated one of its programs to the works of modern Canadian composers.

Hockey and baseball are largely international sports.

## CANADA AND THE UNITED STATES

### Good Neighbourhood

The proximity of Canada and the United States and their common stake in the North American continent are factors in the deep-rooted kinship which exists between their peoples. Business, press, entertainment, sports, labour, cultural, social service, scientific, and fraternal organizations, all tend to develop along continental rather than national lines. From clothing to comic-strips, the products in daily use throughout Canada are much the same as those in the United States.

Canada's largest trade union bodies are the Trades and Labour Congress of Canada and the Canadian Congress of Labour: both these organizations include unions which are affiliated with their United States counterparts. From a material standpoint, Canadians enjoy a North American standard of living similar to that achieved by the United States.

One out of every seven Canadians drives his own automobile, and there are about eighteen telephones for every twenty-five households. Refrigerators, washing-machines, oil furnaces, sewing-machines and domestic mechanical devices of all kinds are common to Canadian and United States homes, both urban and rural. The radio and the press continuously reveal the lives of the two peoples to one another. The sale in Canada of United States publications, mostly magazines, nets their publishers more than \$12 million a year.

### Border-crossing Citizens

A strong influence in the development of their friendly relations has been a sense of common origin. The great majority of the people of both countries are of western European stock. This feeling of kinship has been strengthened by the free movement of population back and forth across the border. It is estimated that in a single year the border is crossed at least, 30,000,000 times by the citizens of both countries. The intermingling of the two populations is unprecedented in history. About fourteen out of every hundred persons born in Canada and now alive are living in the United States, and some 350,000 persons of United States birth have made their homes in Canada. Tourists from the United States probably will spend about \$300 million in Canada this year; and the desire of Canadians to travel in the United States is equally strong.

### Neighbourly Gestures

The community of interest of the two countries on the grand scale - economic, political, strategic - can be readily underlined by the activities of citizens of both countries who are, literally, neighbours and friends. The towns of Calais (Maine) and Milltown and St. Stephen (New Brunswick) for many years have pooled their water supply, hospital services, and fire-fighting equipment. A joint edition put out by the Prince Rupert (British Columbia) Daily News and the Ketchikan (Alaska) Chronicle in November 1949 is probably the first international "special" in history: and the Edmonton (Alberta) Journal commented editorially at that time that "It is interesting to note that both Canadians and Americans in this part of the world would like to see more use made of Prince Rupert - the most northerly-Pacific port with transcontinental railway connections - as an outlet for Alaska's trade." The shortest rail route between Montreal and Saint John, New Brunswick, lies through Maine, and it is taken for granted that United States trains from Detroit to Buffalo take a short cut through Ontario.

### A Common Harvest

At harvest time a "good neighbour" policy receives further practical application in North America's great central granary. Canadian grain combines, and their crews, lumber through the United States wheatlands, helping to reap harvests from Texas northward; and as the season of ripeness grows later, through the Dakotas and in Canada's central provinces, United States machines enter Canada on a similar mission.

### Sport for North Americans

A group of sportsmen in the United States became concerned about maintaining in plenty the continent's wild ducks, and a private organization called "Ducks Unlimited" was formed which, from offices in Winnipeg, administers some 200 sanctuary areas in Manitoba and Alberta where ducks are protected. "Ducks Unlimited" operates by private contribution on a non-profit basis, although the State of Louisiana, for example, contributes a sum to it annually. The governments of the two countries are jointly concerned as well about the wildlife of North America; the annual joint waterfowl survey of the Canadian Wildlife Service (Department of Resources and Development) and the Fish and Wildlife Service (United States Department of the Interior) is to be carried out this year "as usual"; Canada-United States teams are conducting aerial survey operations in British Columbia, Saskatchewan, Manitoba, Newfoundland, and the Northwest Territories.

### The Undefined Frontier

The phrase, "the undefended frontier", has been employed so often that after-dinner speakers in both countries can scarcely use it now without apology. It took a century to lay out this boundary, about 3,900 miles in length between Canada and the United States and an additional 1,540 miles between Canada and Alaska. It was not done without mistakes, some of them laughable now, though troublesome at the time. For instance, after the United States had erected a fort at great expense near Rouse's Point (New York), a survey of 1818 revealed that it was on the Canadian side of the line. The solution of this problem was much simpler than that of going to war; the boundary line was moved, so that the fort was on United States soil! Here indeed was a symbol and a precedent; and arbitration has been the traditional method of solving boundary disputes, one notable example occurring in 1846 when the western border was settled at the 49th parallel, and another in 1903 when the Alaska boundary was defined. Any boundary problems which arise are now referred to a standing International Boundary Commission.

### The International Joint Commission

The Rush-Bagot Agreement in 1817 effected permanent disarmament on the Great Lakes and, nearly a hundred years later, the Boundary Waters Treaty of 1909 established permanent machinery designed for the prevention of disputes, the International Joint Commission.

This Commission, which is composed of three United States and three Canadian members, deals primarily with questions of mutual interest involving waters which form the boundary between the two countries and rivers which flow across the boundary.

The commissioners work, not as two groups of three, but as one group of six, determined to deal impartially with the matters brought before them. Sometimes these matters are not those readily associated with border differences, but pertain more to mutually satisfactory conditions of life; for instance, last year the governments of the two countries requested the Commission to investigate complaints that vessels passing through the Detroit River were causing the pollution of air in the vicinity of Detroit (Michigan) and Windsor (Ontario). Shortly before, the Commission had been asked to review existing plans for the construction of hydro-electric power plants at Passamaquoddy and Cobscook Bays, which are located at the mouth of the St. Croix River, a boundary stream between the State of Maine and the Province of New Brunswick. Other references are of course under consideration by the Commission, one of the more important being the Columbia River reference.

#### War Time Co-operation and Joint Defence

The close integration of the Canadian and the United States war effort at every level during World War II has no parallel in history. As a result of personal initiative and circumstances, many men in the ranks of the United States services wore the name "Canada" on their shoulders, and in the Canadian forces there were some 15,000 persons who wore the initials "U.S.A." on their Canadian uniforms. The Hyde Park Declaration of April 1941 became the charter of the two countries' economic co-operation during World War II. The fundamental proposition underlying the Declaration was that the United States and Canada, in mobilizing the resources of North America, should concentrate on those essential goods which each was able to produce quickly. This economic co-ordination was the logical outcome of the Ogdensburg Declaration of August 1940, which provided for the immediate setting-up of a Permanent Joint Board on Defence to "consider in the broad sense the defences of the north half of the Western Hemisphere."

The extent of war time military co-operation for the defence of North America may be seen in such projects as the chain of airfields from Edmonton, Alberta, to Alaska, known as the Northwest Staging Route; the 1,500 mile highway connecting them; the construction of further airfields in north-eastern Canada; and the establishment of joint weather stations and telecommunication systems.

#### Permanent Joint Board on Defence

It seemed sensible that the Permanent Joint Board on Defence, which worked so well in the common interests of the two countries during the war, should work equally well in furthering their security after hostilities had ceased. On February 12, 1947, the extension of collaboration in defence matters into the peace time period was recognized in a joint statement by the two governments outlining their principles of post-war defence co-operation. In matters of defence, there is a constant flow of information between the two countries. Canadian and United States officers are interchanged in training establishments. The same communication systems and similar battle procedures and battle orders have been adopted. Defence research is carried on in close co-operation to avoid duplication of effort. As far as is possible, the Armed Forces of both countries are seeking to standardize their organization, training, weapons and other matériel.

#### Joint Exercises

Many practical exercises in joint defence have been carried out by the two countries. The Canadian Army's Combined Experimental and Training Station at Fort Churchill, Manitoba, was established in 1946 for the purpose of research in the military problems posed by Arctic conditions and training

troops to live and operate under these conditions. This is the largest single establishment where personnel of both countries live and work together, sharing the same messes and recreational facilities, exploring constructively, as North Americans, one of the last great frontiers of the world. To mention some of the joint exercises that have been held recently, in "Metropolis", held in 1949, Canadian reserve force fighter squadrons participated as part of a defending force in an air defence exercise over Manhattan. In 1948, and again this year, units of the Canadian and United States Navies engaged in joint exercises in the vicinity of Pearl Harbour. Combined manoeuvres, in which British naval units joined, took place in the Caribbean Sea in March 1950, and the final phase of "Caribex" consisted of intensive anti-submarine exercises involving 100 warships, 11 United States submarines and more than 100 aircraft. One of the main objects of Exercise "Sweetbriar", which took place in the Yukon and Alaska in February 1950, was to develop procedures for the employment of combined Canadian and United States forces in defence of sub-Arctic regions, and to test in the field the latest developments in clothing, food, aircraft, vehicles, weapons and other equipment. It also provided a most important opportunity for gaining experience in joint and combined planning and in operations under a completely integrated Army-Air Force Command of the two countries.

### World Implications

The success which has thus attended the efforts of two politically independent countries to realize together their common interests in the realms of defence, has important implications in the current international situation. The governments of both countries support wholeheartedly the objectives of the United Nations and of the North Atlantic Treaty Organization. In their own actions in relation to each other, they demonstrate to the world the extent to which freedom-loving nations can integrate their skills and resources to their mutual advantage.

### Common Economic Interests

The total trade between the United States and Canada exceeds that between any other two countries in the world. Canada is the United States' best customer. In 1949 the United States sold to Canada nearly \$1,900 million worth of goods, an amount three times as great as exports to its next best customer, the United Kingdom. United States trade with Canada, both imports and exports, composed about 18 per cent of the United States total foreign trade last year. About 50 per cent of Canada's total exports in 1949, worth about 1,500 million dollars, went to the United States. The economies of the two countries, though in some respects competitive, are largely complementary and mutually interdependent. Canada relies on the United States for vital industrial materials, machinery and manufactured goods, such as coal, oil, cotton, steel and machine tools. The United States counts on obtaining from Canada such basic essentials as newsprint, wood-pulp, lumber nickel, and asbestos.

### Transportation Links

The exchange of goods is aided by the splendid systems of transportation existing between Canada and the United States and the rest of the globe. The St. Lawrence-Great Lakes Waterway penetrates the continent for 2,350 miles. It takes large ocean-going vessels inland 1,000 miles to Montreal, and smaller ships to the head of the lakes. The first barriers between Montreal and the Thousand Islands have been circumvented by the 35 miles of Canadian canals, of 14 foot depth, along the north shore of the St. Lawrence River, which United States and Canadian vessels use on equal terms. Through fifty border gateways, upwards of 8,000 miles of Canadian controlled railroads in the

United States are linked with their parent systems in Canada, and more than 1,500 miles of United States-controlled railroad track is operated in Canada. Highways follow a similar pattern of border junctions.

Airlines of both nations bear the traffic between their major cities. Canadian airliners may fly to Hawaii and thence on to Australasia, and to the Caribbean via Florida. United States planes may proceed through Gander, Newfoundland, to Europe, and to Alaska and the Orient by way of Edmonton, Alberta. These arrangements are typical of numerous trans-border air services between the two countries.

### Investment and Finance

Investment, like trade and transportation, has acted as a powerful economic bond between the two countries. The total amount of investments in Canada held in the United States stood at \$5,588 million (Canadian) in 1948. Interest and dividends in the estimated amount of \$325 million crossed the border from Canada to the United States in 1949, and an estimated \$88 million of new funds flowed in from the United States for direct investment in Canada, much of it connected with petroleum developments in the western provinces. Canadian investments in the United States, on a per capita basis, are considerably greater than United States investments in Canada.

In economic matters, as in the matters of defence, Canada and the United States have been ready to extend their policy of co-operation into the larger international sphere. The sterling-dollar talks at Washington in September 1949 provided a notable peace time example of that tripartite co-operation with the United Kingdom in economic and financial matters which had proven so fruitful during World War II. The three governments participating in the Washington meeting made arrangements for continuing consultation; but they emphasized at that time that those arrangements underlined rather than diminished their interest in the development of economic co-operation within the entire community of western nations.

### Continental Resources

To utilize most amicably and efficiently the off-shore resources of the high seas, various agreements regarding fishing rights have been entered into by Canada and the United States. The most recent of these, and one typical of such neighbourly arrangements, was the Convention signed in March 1950 for the extension of port privileges to halibut fishing vessels on the Pacific coasts of the United States and Canada. It overcomes the necessity of the governments of the two countries legislating every year to allow halibut fishermen reciprocal privileges of landing catches for trans-shipment, export and sale locally, and obtaining supplies, repairs and equipment in Canadian and United States west coast ports.

The majestic beauty of Niagara Falls is known the world over. Less well known, perhaps, is the fact that the turbulent waters of the Niagara River provide a source of hydro-electric power which must be equitably allocated to the two countries part of whose border it marks. On February 27, 1950, a Niagara Diversion Treaty between the United States and Canada was signed; both countries recognize that the first charge on the fluctuating volume of water in the Niagara River is the preservation of the scenic beauty of the Falls and Rapids; but it is expected that when this treaty is ratified, both countries will normally have the use of more water than before. Temporary war time arrangements are superseded by this permanent agreement, a fact which will permit the construction of new power plants of the latest design to replace some less efficient plants now in operation.

When tabling this Treaty in the Canadian House of Commons, the Secretary of State for External Affairs pointed out that this additional Niagara power cannot be expected to meet the full needs of Ontario and New York State. The power requirements of these areas, he went on to say, can only be met by the full development of the potential power of the St. Lawrence River.

#### The Great Lakes-St. Lawrence Basin Development Agreement

The recent history of Canada-United States negotiations regarding the Great Lakes-St. Lawrence Waterway and Power Project begins about the end of the last century and culminates in the signing of the Great Lakes-St. Lawrence Basin Development Agreement on March 19, 1941. The main provisions of the 1941 agreement are: (a) for the construction of the remaining links of a 27-foot deep waterway from the head of the Great Lakes to Montreal; and (b) for a combined power-navigation scheme in the International Rapids section of the St. Lawrence River, the power to be developed in a controlled, single-stage project with an installed capacity of 2,200,000 horsepower.

The 1941 agreement has not yet been ratified; however, in his message to Congress on January 4, 1950, the President of the United States recommended its ratification. Canada is most anxious to have the agreement come into force.

#### Interplay of Culture

Canada and the United States have a mutual interest in each other's economies; the people of the two nations are now becoming increasingly aware that exchanges in the currency of culture are both possible and desirable. Lord Bryce wrote many years ago in his The American Commonwealth that "... It is more to the advantage, both of the United States and of the Canadians, that they should continue to develop independent types of ..... intellectual progress.... There is already too little variety on the American continent". Creative artists in both countries are doing much these days to correct this state of affairs.

#### Painting and Music

In recent years several exhibitions of Canadian paintings have been displayed in various cities of the United States. One comprising one hundred Canadian works painted during the last forty years was received in Boston a year ago with notable interest and enthusiasm; and a similar exhibition is being planned this year for autumn showings in Washington, San Francisco and other west coast cities.

The Oklahoma State Symphony Orchestra, in a series of concerts of modern music, recently dedicated one of its broadcast programmes to works by modern Canadian composers. The great conductors and symphony orchestras of the United States visit Canadian cities from time to time. Edward Johnson, born in Guelph, Ontario, was for many years manager of the Metropolitan Opera Company of New York, and the Canadian composer and musician, Reginald Stewart, has long been associated with the Baltimore Symphony Orchestra.

Canadian ballet groups appeared in New York this spring; while a current Broadway comedy success, "The Happy Time", the story of which was written by a Canadian, describes the life of an Ottawa family. New York plays include Canadian cities in their tours; the tunes of "Oklahoma" and the artistry of Katherine Cornell and Raymond Massey are known and loved equally in both countries. The Saturday afternoon broadcasts of the Metropolitan Opera Company and the Sunday programmes of the New York Philharmonic are equally cherished institutions both north and south of the border; while hundreds of letters are received each week by the Canadian Broadcasting Corporation from some of those in the United States who listen to "CBC Wednesday Night".

Knowing Each Other Better

In the world of sport as well as in that of entertainment - and here these two activities merge - participation by the two countries is mutual. Canadians play on United States hockey teams in major as well as minor leagues; Barbara Ann Scott is admired in such representative cities as New York and Winnipeg; it is accepted without question that the organization of baseball in North America is, where possible, international.

It is a matter of concern to citizens of both countries that the geography, manners and achievements of the United States are better known to the average Canadian than are those of Canada to the average American. One joint organization formed to correct this state of affairs is the Canadian Co-operation Project, which encourages the introduction of Canadian material into documentary, newsreel and feature motion-pictures produced in the United States. An even more direct use of films to inform is made by the Canadian government's National Film Board, which has in the United States about sixty permanent outlets for its productions.

.....

Close friendship and co-operation between these two countries do not obscure the fact that each is an independent nation with its own individuality. Their cultural patterns in many fundamental respects differ, and the difference is due not merely to regional variations on a continental scale, but especially to the strength in Canada of a European-Canadian tradition, English and French, which is apparent in politics, in education, and in literature. Canada and the United States are good companions, and their difference in personality can only stimulate their friendly interest in each other.

---

June 5, 1950.

RP/C

In the world of today as well as in that of yesterday - and here  
these two activities - the production of the two countries is almost  
Canada day on United States day. In fact, as well as in the  
particular instances in which the two countries are alike as New York and  
Whitney. It is accepted without question that the organization of business  
in North America is a single, international.

It is a matter of course to compare the two countries and the  
geographic features and movements of the United States and Canada. One  
the average Canadian than the average American. One  
joint organization formed to cover this state of affairs in the Canadian  
to a large extent, which encourages the production of Canadian material  
into documentary, technical and factitious sources produced in the United  
States. An even more direct use of films to inform the Canadian  
Government's national film board, which was in the United States about sixty  
thousand dollars for its production.

Close friendship and cooperation between these two countries do not  
obscure the fact that each is an independent nation with its own individuality.  
Their cultural patterns, in many fundamental respects, and the differences  
is due largely to regional variations on a continental scale, but especially  
to the strength in Canada of what appears to be British, French and  
which is apparent in politics, in education, and in literature. Canada and  
the United States are good companions, and their difference in personality can  
only stimulate their friendly interest in each other.

June 2, 1950

BYC