

CANADA IN 1953

An address by the Prime Minister, Mr. St. Laurent, delivered to the Canadian Club and Empire Club of Toronto, March 9, 1953.

...You will recall that during the First World War there were strains between our two historic races occasioned by the war itself. By 1920 we were beginning to recover from those strains and people were talking about the development of a national spirit. When I spoke to the Empire Club in 1920, what I said on this topic went like this:

"A national spirit cannot attach to the soil alone; it must comprise the men who dwell upon it, the institutions which make them a body politic and also the private laws which crystallize their attitude towards each other and their methods of realizing human progress.

"These men are not, nor need they be, exact copies one of another; their social institutions do and they well may reflect the special characteristics of the various groups; so may their private laws and their local rules of individual behaviour, but if there is not a widespread feeling that in spite of such differences, perhaps even at times because of such differences, all these things are good to conserve, are worthy of mutual respect, constitute something for the whole nation and for each individual to take pride in and which enriches the national heritage, how can we have a national spirit?"

The development of a national spirit is obviously a theme that I find it hard to stay away from, because I returned to it when I spoke in Toronto to the Canadian Club thirty years later.

No doubt many of you will recall my saying on that occasion that I wanted to stress the importance of strengthening the institutions which gave richness and variety to the life of a free nation. And on that occasion, too, I reminded you that the historic partnership of two races and two cultures was the foundation of the only kind of national life we could expect to have in Canada.

As we look out on the world in this year 1953, we Canadians have, I believe, gone a long way since 1920 in developing a national spirit and we have more faith in ourselves and in our country than we have ever had before. And that faith is strengthened by many tangible expressions of the faith of other countries in us and in our place in the universal scheme of things.

That was not always true. There were times, in our earlier history, when faith did languish at home and when the confidence of others in Canada was very dim indeed.

The other day I came across an extract from an editorial, dated September 1st, 1881, from an overseas paper called "London Truth". I was especially interested because it was published just a few months before I was born, and I must say I am thankful that, so far, I have turned out to be a better prophet about the future of Canada than this so-called "Truth" of London.

The editorial referred to the launching of the Canadian Pacific Railway bonds. "London Truth" took a pretty dark view of the Canadian Pacific Railway, and even of Canada itself. Let me read some parts of this editorial:

"The Canadian Pacific Railway will run, if it is ever finished, through a country frost-bound for seven or eight months of the year, and will connect with the Western part of the Dominion, a Province which embraces about as forbidding a country as any on the face of the earth; British Columbia, they say, have forced on the execution of this part of the contract under which they become incorporated with the Dominion, and believe that prosperity will come to them when the line is made. This is a delusion on their part. British Columbia is a barren, cold, mountain country that is not worth keeping. It would never have been inhabited at all, unless by Trappers of the Hudson Bay Company, had the 'gold fever' not taken a party of mining adventurers there, and even since that fever died down, the place has been going from bad to worse. Fifty railroads could not galvanize it into prosperity.

"Nevertheless, the Canadian Government has fairly launched into this project, and I have no doubt the English public will soon be asked to further it with their cash. The parade of selling bonds in New York and Montreal is the new way of doing business that 'syndicates', bankers and loan contractors have adopted in order that it may seem that they have faith in the schemes they father. I doubt if ten millions of dollars of ready cash could be found in all of Canada for this or any other work of utility at a pinch, but the Canadians are not such idiots as to part with one dollar of their own money if they can borrow from their neighbours'. The Canadians spend money and we provide it. That has been the arrangement hitherto, and it has worked out splendidly -- for the Canadians -- too well for them to try any other schemes with the Canadian Pacific, which they must know is never likely to pay a single red cent of interest on the money that may be sunk in it. A friend of mine told me -- and he knew what he was talking about -- that he did not believe the much touted Manitoba settlement would hold out many years. The people who have gone there cannot stand the coldness of the winters. Men and cattle are frozen to death in numbers that would rather startle the intending settler if he knew and those who are not killed outright are often maimed for life by frost-bites.

"As the bonds 'secured' on this land or others guaranteed by the Dominion Government are sure to be offered in this market by the 'Bankers' and others forming the Company, I think a word or two on Canadian finances in general would be in season. Canada is one of the most overrated colonies we have but it is heartily 'loyal' and makes the loyalty pay. Its astute

to inhabitants know well how to work on those susceptible and I have seen nothing finer in the way of advertising than the gushing accounts to be admirably adapted to create a belief that the true land of promise is to be found there at last.

With such soil to till, and among such Queen

worshippers, the distressed British farmer would be in bliss. Of course, they who choose can believe all that. For my part, I know of only one Province in the whole Dominion that of Ontario. It is the only province, as a shrewd land jobber said to me once, where you can lend money on land with any hope of ever seeing your loan again. As for the Country as a whole, it is poor and is crushed with debt. The Supreme Government owes about thirty-five million pounds

altogether and every province has its separate debt, as also has almost every collection of shanties calling in itself a 'City'. The Province and City of Quebec are both notoriously bankrupt, and the latter was obliged to go to Paris with its last loan, probably because nobody would lend it here. Last year the country had the benefit of a good crop, and a good market here, so that it did a little better, but generally it has hard work to make both ends meet and often couldn't. Nearly every year it comes for a new loan or two and once it is fairly committed to making this new railway I see nothing before it but bankruptcy. While the money is being spent all will go well enough perhaps, but in the end the Dominion will have to go into liquidation. It amazes me that its stocks stand where they do as things are, but if people took trouble to look beneath the surface, prices would be very different; one of these days when the load gets too heavy, Ontario is pretty certain to go over to the States into which it dovetails, and where its best

traded outlet is. When the day comes, the 'Dominion' will disappear. With the contingency ahead and with the prospect of another fifty million pounds or so to be added to the debt, can it be said that the Canadian Guaranteed Four Percent are worth their present price?

This 'Dominion' is, in short, a 'fraud' all through and is destined to burst up like any other fraud." I am convinced that without this fraud human

These are how Canada looked to one outside-observer at the beginning of my own lifetime. We sometimes feel we have difficulties today, but in the face of that kind of picture, the risk is rather that we may become too self-satisfied. We are going to face formidable difficulties in the future and we will have to surmount them as we have surmounted the difficulties of the past, if this nation is to realize its destiny, which I believe is quite different from the "bursting up" of the Dominion or the going over to the United States by Ontario predicted by "London Truth". Important though they are, they are not the only assets we have.

One of the things which is uppermost in all of our minds in 1953 and is exactly the opposite of any grim prospect is the Coronation of our beloved Queen and the belief of many of us that that event will serve to strengthen the members of our Commonwealth and the links which hold us together. Then, next to the Americans, we have the greatest per- There are of course, local situations in parts of the Commonwealth which appear to divide some members from others.

But the real link among us is our common ideals, our memories of associations in the past and our convictions that

those past associations have been for the benefit of all of our peoples. I do not think it conceited for us to believe that this Commonwealth group not only works for the benefit of its own people but is also an instrument for the good of free mankind throughout the whole world.

One of the characteristics of this association is its ability to develop and to adapt itself to new situations. All of us, but particularly the British people, can be proud of their realistic genius which enables them to meet the requirements of a new situation and yet conserve the essentials which really matter. I hope -- and I am sure most of them do -- that the people of India, for instance, and the peoples of the Occident look upon each other as human beings equal in every respect.

We all know from our own Canadian experience that unity between us, unity between all the elements of our population and must be based upon that recognition by us all that we are all equal to each other and that all have the same rights to Canadian citizenship, and that Canadian citizenship gives us equality in every respect with all our fellow citizens, whatever their origin, their traditions and their cultures may be. It is because our forefathers had the wisdom to recognize that it was not going to be necessary in this Canadian nation to pour all the elements into the same mould that we now have a Canadian nation.

I believe it is because we have learned to respect one another and to conserve our heritage that it has been possible since the war to admit 800,000 immigrants into our country without disrupting or even disturbing the basic character of our national life. These men, women and children are making a real contribution to our national life. Without them, we would be the poorer economically, culturally and spiritually.

Most of them have come to Canada with the firm intention of becoming good Canadian citizens, and we are making it possible for them to develop a genuine attachment to this country, because of the increasing respect and understanding we have learned to have for the traditions and background of one another.

I am convinced that without this broad human understanding -- this spirit of brotherhood transcending race or creed which has become a national characteristic -- we in this Canada would not have accomplished what we already have in this twentieth century.

And in this year of our new Queen's Coronation, if we all dedicate ourselves to maintaining and strengthening that spirit, we need not fear for the future of the Commonwealth. We have other things for which we can be thankful too. Important though they are, our Commonwealth associations and our national spirit are not the only assets we have.

We share with the Americans this happy continent which is still relatively less vulnerable to direct aggression than any other developed area of the globe.

Then, next to the Americans, we have the greatest per capita developed wealth of any people; and in addition, even greater undeveloped wealth.

But the real link among us is our common ideals, our memories of associations in the past and our convictions that

Moreover, we have a population with a high average level of enlightenment, of ingenuity and of initiative. All of this adds up to an industrial and economic potential which, despite our relatively small population gives Canada a place in world affairs immediately after the great powers.

Whatever "London Truth" of over 70 years ago may have thought it would be, the economy of Canada today, and our national finances, too, for that matter, are in a healthy state. I daresay all of you have seen in your favourite British or American periodicals complimentary articles about the Canadian economy.

I was particularly struck by one of these articles which appeared, last November, in the Monthly Review of the Federal Reserve Bank of New York. I don't think the Monthly Review of the Federal Reserve Bank is written to attract popular attention, or to provide propagandaw for any cause. Flattering though it is to Canadians, I hope its language is not exaggerated. This is what is said:

"Recent economic developments in Canada have attracted world-wide attention. . . . The Canadian dollar has risen to a significant premium over the United States dollar, reflecting . . . widespread foreign confidence in Canada's economic prospects and a willingness to invest in that country.

"This confidence in the Canadian economy has been greatly strengthened by the general success of the government's fiscal and monetary policies, which have maintained economic balance despite the strong expansionary pressures generated by the Korean war, the Canadian defence program, and the swift pace of economic development.

"Meanwhile, the growth potentialities of the Canadian economy continue to inspire new and far-reaching plans for the exploitation of Canada's abundant natural resources. The challenge of these new horizons, the venturesome spirit that now seems to pervade the Canadian economic scene, and the rapidity of the country's postwar economic expansion, all suggest that Canada stands at the threshold of a new era of economic progress."

What a change this represents in the attitude to Canada's future in the lifetime of many of us who refuse to consider ourselves old men.

But I think a word of caution is necessary. The realization of that happy future depends upon a continued faith in our country, the vigorous and adventurous development of our great resources and the expansion of all our national activities within Canada.

Two possible obstacles to the almost unlimited development of Canada are outside our borders. The greatest of all is the danger of another war, and next to that is the risk of a contraction of world trade, on which we depend so largely for many of the necessities of life and for the income with which to purchase those necessities.

Action by other nations as well as by ourselves is required to meet these dangers. We cannot, of course, direct the conduct of other nations. But I suggest that our weight in world affairs and the influence we can exert is greater than our numbers would indicate. Are we really making the best use of that influence to promote peace and to foster international trade?

We have established our outer lines of defence in Korea and West Germany, but we dare not concentrate all our military strength in those places. The promotion and safe-guarding of peace begin at home. We have to do our part to provide for the territorial defence of our homeland and the continent in which we live. We know that modern science has opened our northland to potential danger of attack.

We know we could not bar a northern invader alone. We realize that the defence of this continent is a joint operation with the United States and that is why both countries have carried forward into the post-war world their co-operation in continental defence.

In February 1947, Mr. Mackenzie King and Mr. Harry Truman formally renewed the agreement for joint defence made at Ogdensburg in 1940.

In our joint defence, each country has respected the rights of the other and scrupulously observed the underlying principle of the joint declaration of 1947 that "all co-operative arrangements will be without impairment of the control of either country over all activities in its territory".

We can be profoundly grateful that we live side by side with a great power which recognizes the equal status and respects the integrity of its neighbours.

But most of us in North America have learned from the experience of two world wars that we cannot isolate ourselves into security on this continent.

Fortunately almost all Canadians are resolute in their determination to have our country do its part to prevent a third world war by building up the strength of the North Atlantic alliance and by resisting open aggression in defiance of the United Nations Charter. I do not think we need worry too much about the few deluded Canadians who have been misled by self-styled Apostles of Peace into proclaiming as war mongering what Canada is doing to prevent another world war. Nor are many Canadians deceived by those who call the tyrannies they have established "peoples democracies" or who practice racial and religious persecutions while they preach what they call "human rights".

Our efforts to win and secure peace in the world are not confined to armaments, necessary though they are. I think everyone here knows how great and useful a part Canada has taken in the work of the United Nations.

Fortunately we have been able to work for peace by other constructive means as well. I refer to the Colombo Plan and the United Nations Technical Assistance Programme.

The Colombo Plan was not conceived as a large-scale relief effort, for, as I read recently, even a grant of one billion dollars a year for the relief of the distressed in Asia would do little more than provide a hoe for each farmer.

The aim of these programmes is to give millions of people now without hope, confidence in their ability to solve their own problems and to raise their own standards of life. If they can be given that confidence, we can hope for an eventual end to the misery and suffering that now haunt their lives. I am sure their present misery and suffering do help to make them more receptive than they would otherwise be to the false promises of Communism.

What we do need to be concerned about is to prevent false confidence that the danger of Communist aggression has receded enough that we can afford to relax.

I believe the danger has receded somewhat, but it has receded only because the free world appears to mean business; and, if we are to be secure, we must continue to mean business.

And if it is vital to mean business about peace, it is also vital to mean business about world trade. No country has done more than ours since the war to promote world trade.

During that war world trade was almost totally dislocated. When the war was over Canada had lost some of our traditional customers for certain products. We found that the overall Canadian trade picture had changed as well. The United States was increasingly purchasing more from us and our total trade with the United Kingdom last year reached an all-time record but that great country, and to a lesser degree, other European countries were forced by a shortage of dollars to restrict the purchase of many foodstuffs which before and during the war they imported from Canada.

To offset this loss of former markets and to prevent too great a dependence on one single customer, we have sought new outlets for our goods. The International Trade Fair held annually in Toronto has been of considerable value in this connection.

The peace treaty and the re-establishment of normal diplomatic relations with Japan will help to restore that country to its former position as a buyer of large quantities of Canadian products.

Our new Ambassador to Japan is a leading businessman from British Columbia, who until recently represented that province in the Government at Ottawa. Mr. Mayhew knows the importance of two-way trade and we can expect him to make a practical use of that knowledge.

The recent visit to South America of a Canadian trade mission headed by the Minister of Trade and Commerce, Mr. C.D. Howe, is already helping us to find new outlets and new sources of imports in an area where our trade has already increased 1800 per cent since 1939.

We have also been conscious of the continuing importance of the markets in Commonwealth countries. Last December the Minister of Finance and I spent two weeks at a Commonwealth Economic Conference in London. Though this

conference found no immediate or sensational solutions to existing problems, it did set the Commonwealth countries on a constructive course which, we believe, will result in a long-term expansion of our mutual trade.

Trade must flow in two directions or it soon ceases to flow at all. We Canadians know that we could not go on indefinitely selling much more abroad than we buy. It is therefore a responsibility of the Government to do its part towards the maintenance of a large market for imports and this means reasonable tariff policies and the avoidance of import restrictions.

Now, most of us ordinary human beings are not seers, nor prophets, but if we examine our situation carefully here in Canada we can say that 1953 looks like a good year.

But, because we are fortunate to live in this favoured land, we should not allow ourselves to forget that we also live in a very dangerous world. To do our part to meet the dangers ahead, we have to face up to responsibilities both abroad and at home and that is bound to call on the best in our national experience.

But, if our people do face the future with the united courage Canadians have displayed in the first half of the twentieth century, I, for one, have no doubt we shall justify Laurier's prediction, and, in doing so, we shall well serve not only future generations of Canadians, but the whole free world.

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