

(C.W.B. October 21, 1949)

MR. PEARSON SPEAKS AT UN ON ARMAMENTS

FRENCH RESOLUTION: The Security Council on October 14 continued debate on the proposal for a census of armaments and armed forces of United Nations members, originally introduced by France and adopted by the Commission for Conventional Armaments on August 1, the UN Press Bureau reported.

At the Council's last meeting, on October 11, the representative of France presented a draft resolution, calling on the Security Council to approve the census proposals and to transmit them to the General Assembly.

The representative of the USSR then introduced a draft resolution by which the Security Council would recognize as essential the submission of information on atomic weapons as well. A revised text of this proposal was circulated on October 13. A French amendment to the Soviet proposal also was circulated on October 13.

MR. PEARSON SPEAKS

The Secretary of State for External Affairs, Mr. Pearson, speaking after Mr. Jean Chauvel, (France) said that the brief new Soviet proposal was apparently intended to be "disarming," at least in the sense that it was ingenuous and naive, continued the UN Press Bureau report. But the need for disarmament and security was no matter for propaganda or psychological warfare, he contended.

The Security Council had to recognize the need, not for "mere assurances," but for information which could be verified and substantiated, he declared; also that this information must itself be but a step toward effective disarmament and the effective organization of collective security for all.

During the 1930's, he recalled, humanity had learned the hard way that unenforceable promises by totalitarian powers were inadequate and often gave a false sense of security.

It was Canada's view, continued Mr. Pearson, that verification of information concerning armaments was essential, particularly in the case of information submitted by totalitarian regimes "not responsive to the internal checks of a free and informed public opinion."

He thought it significant that the "free democracies" represented in the Commission for Conventional Armaments had all approved the French arms census plan with the necessary

checks to substantiate the information presented. That the Soviet and Ukrainian representatives had opposed the plan was "disturbing, if not surprising," he observed.

This Soviet opposition, said Mr. Pearson, was one more reflection of a refusal to cooperate with the rest of the world community, "justified by an insistence on an outmoded and old-fashioned concept of unrestricted national sovereignty." Canada, he went on, favoured the fullest interchange of information on armaments and verification of such information.

As for the question of information on atomic weapons, Mr. Pearson said he considered that what was needed was a free pooling of substantiated information, and even of facilities and activities in this important field, as part of a co-operative international effort to control nuclear forces and ensure their use only for peaceful purposes as well as to ensure the effective prohibition of atomic weapons and their elimination from national armaments.

NATIONAL SOVEREIGNTY

The Canadian Government, he said, had long been prepared to accept the degree of international co-operation and the necessary limitations on national sovereignty which world security in this field required.

Mr. Pearson spoke of the current talks of the permanent members of the Atomic Energy Commission--Canada, China, France, the Soviet Union, the United Kingdom and the United States--on the subject of atomic energy. The results of these discussions would, he said, probably be made known soon to the General Assembly.

"It would not be wise, I think," said Mr. Pearson, "for the Security Council to try to by-pass these consultations by taking a hasty and patently inadequate decision."

Mr. Pearson supported the first French proposal, with its "carefully worked out system for the census and verification of national armaments and armed forces."

He could not support the Soviet proposal, which he considered "dangerously misleading and inadequate," Mr. Pearson said. He would, however, support the second French resolution which, he thought, amounted to a re-statement of the Soviet proposal in an improved form.

The Minister of Finance, Mr. Abbott, said pre-campaign reports from all sections of the country were uniformly encouraging. Every province has already reported new additions to the list of firms offering the payroll savings plan, he said, and there was evidence of increased interest on the part of the general public, as well.

"There is every reason to hope, not only

that more Canadians will invest in Canada Savings Bonds this year," Mr. Abbott said, "but that the average purchase may be higher. Past experience has shown that the savings habit is deeply rooted in our people and income tax reductions effective this year should mean that most wage earners will have a little more money available for saving."

Although no national objective has been set for the sale of Fourth Series bonds, the Minister added, it was natural in any human endeavour to regard past performances as a minimum for future attainment. Last year, sales on the payroll savings plan reached \$118 million -- the highest point since Canada Savings Bonds were introduced in 1946. Sales to the general public totalled \$121 million.

Series Four bonds will be available, as in the past, in denominations of \$50, \$100, \$500 and \$1,000, with a limit of \$1,000 placed on holdings of this series in any one name. Bonds, however, may be registered to this amount in the names of each adult and child in the family.

RCAF RESERVE EXERCISE: Air Marshal W.A. Curtis, Chief of the Air Staff, RCAF, and Air Vice Marshal C.P. Slemon, Air Officer Commanding Training Command, will be spectators at a joint US National Guard -- RCAF Reserve exercise in New York City on October 22, it has been announced by Air Force Headquarters, Ottawa. Called "Operation Metropolis", the Reserve exercise will include a simulated air attack upon the city and interceptor tactics by defending aircraft. RCAF Reserve units from Montreal are to take part.

The Exercise was organized after an exchange of letters between Air Marshal Curtis and General Hoyt S. Vandenberg, Chief of Staff of the USAF. Air Marshal Curtis has expressed keen interest in the exercise which is a forerunner to other similar exercises with American reserve forces.

ARCTIC EXPLORATION: A 4,000-mile voyage of exploration and study of island and mainland areas in Hudson and James Bays, Foxe Channel and Basin, and Roes Welcome Sound has been completed by a scientific party headed by T.H. Manning, of the Geographical Bureau, it was announced on October 17 by the Minister of Mines and Resources, Mr. Gibson.

During their three-month trip aboard the diesel-powered vessel, the "Nauja", the scientists studied the geography, animal and plant life, and geology of several unexplored islands in Foxe Basin.

These included Prince Charles and Air Force Islands, recently discovered about fifteen miles west of Wordie Bay, Baffin Island, by the R.C.A.F., the Spicers, sixty miles east of Melville Peninsula, discovered by Captain Spicer, a whaler, in 1880, and Rowley Island, in the northwest corner of the Basin.

The party left Moosonee, Ontario, early in July, and moved up the east coast of James Bay and through Hudson Bay and Foxe Basin. After their explorations on the islands, they went down the east coast of Melville Peninsula and through the Frozen Straits to Repulse Bay, one of the re-fueling points. From there they continued through Roes Welcome Sound and down the east coast of the District of Keewatin, calling at Chesterfield Inlet en route.

"The Nauja" also stopped at Marble Island in Hudson Bay, entering the harbour in which the Hudson Bay Company explorer, Captain James Knight, and the crew of two vessels under his command, died of scurvy and starvation in 1719-20. The Manning party saw twenty-four graves near the harbour which might have been those of some of the members of the ill-fated Knight expedition.

The islands in Foxe Basin were found to be largely composed of bare ridges of disintegrated limestone. All were very flat, although several granite hills rising to a height of 50 feet were noted on Air Force Island.

Owing to the scarcity of rock outcrops, few fossils were collected. Bear were unusually plentiful on all the islands, and lemming were numerous as were eider ducks and brant geese. Caribou were seen on Prince Charles Island, although there were none on the Spicers. There was no evidence that Eskimos had lived on the islands.

FINANCIAL STATEMENT: The Minister of Finance, Mr. Abbott, released on October 15 the regular monthly statement of the Comptroller of the Treasury covering revenues and expenditures for the Government of Canada for the month of September and the first six months of the current fiscal year.

Total revenues of the Government for the month of September amounted to \$174.0 million compared with \$199.6 million for the same month last year. Total revenues for the first six months of the current fiscal year amounted to \$1,240.6 million as against \$1,314.8 million in the same period last year.

The declines in revenues for the month again reflected the reductions in excise tax and personal income tax rates announced in the last budget. While revenue from these two sources declined there was a moderate increase in Corporation Income Tax. Excise Duties were higher for the month than for September, 1948, while Customs revenue remained unchanged.

Total expenditures for September were \$14.5 million higher, at \$189.4 million, than in September last year. Total expenditures for the first six months of the year were \$961.4 million compared with \$845.4 million in the same period last year.

Expenditures for September exceeded revenues by \$15.4 million. This resulted in a so-called budgetary surplus for the six months period of \$279.2 million compared with \$469.4 million in the first six months of last year.

CANADA SAVINGS BONDS: The Fourth Series of Canada Savings Bonds went on sale on October 17 through banks, investment dealers and other savings institutions in Canada's ten provinces. Simultaneously, canvasses were begun in more than 2,500 business and industrial establishments, where arrangements have been made for employees to purchase bonds by deductions from pay over a twelve month period.