

policy require re-examination, too, in order to determine whether our policies are appropriate to our present international position. In many respects our situation is less clear cut than that of either the United Kingdom or the United States, since we are in a sense creditor of one and debtor of the other. But I think on the basis of our past record that I am entitled to ask you to believe that we shall approach this problem realistically, and that we shall not expect anyone to go further in making adjustments than we are ourselves prepared to go on the Canadian side.

What is required at the present stage, in our view, is to face our problems realistically and with understanding of each other's difficulties. With the good will on all sides which we know to be present, we are certain that out of these meetings there can come the beginning of a new and more hopeful turn in the events that have brought us here.

S/C

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