

The protocol also provides that nothing in the agreement shall affect arrangements relative to the defence of Newfoundland already made by the governments of Canada and the United States in pursuance of recommendations submitted to those governments by the Canada-United States permanent joint board on defence; and that in all consultations concerning Newfoundland arising out of the agreement, the Canadian government as well as the government of Newfoundland will have the right to participate.

At a later stage I shall be in a position to table copies of the agreement and also of the protocol.

7. MEETINGS OF PERMANENT JOINT BOARD ON DEFENCE

Further meetings of the Permanent Joint Board on Defence were held in Montreal, P.Q. on January 21-22, and in Buffalo, N.Y. on February 28.

8. CANADA AND THE LEAGUE OF NATIONS. STATEMENT OF PRIME MINISTER, FEBRUARY 25, 1941.

This item covers not only the work carried on by the league, but also matters connected with the international labour office and the permanent court of international justice. All of these bodies have suffered a certain amount of restriction in their work. The league itself has fallen on evil-days, but some of its services and other organizations still have their place in the world, and we believe that by making our contribution to its continued existence and the carrying on of that part of its work which is being done on this continent we shall be serving to some extent the purpose for which the league was intended, helping at any rate to keep that agency alive for better days.

The vote provides for Canada's contribution for the league as assessed in the league budget for 1941. This is about 80 per cent of the amount voted in 1940. The total league budget, however, has been reduced to approximately one-half of the budget of 1940 and one-third of that for 1939. This substantial reduction is not proportionately reflected by a reduction in Canada's contribution, but this is explained by the fact that it was not possible to assess any contribution for 1941 from nine member states whose territories have been occupied by Germany or the Soviet Union since the outbreak of the war. The proportionate contribution assessed against other member states which have suffered greatly by war, including France, China and Finland, have been cut in half for 1941. In addition, three other states, Spain, Hungary and Peru, have given notice of withdrawal from the league, which will take effect this year.