

expected intervention of the United Nations at this time, since formalized through the resolution which has just been passed unanimously by the Security Council. I am sure that the Secretary-General of the United Nations has our best wishes for success in the very important mission on which he is now engaged in consequence of this resolution.

There was also general discussion of the possible consequences of recent communist party developments in Russia. I got the impression that it was felt that any firm conclusion in regard to the long-range importance of these changes would be premature but that, in any event, they would not warrant any relaxation of effort on our part, either in defence or diplomacy or negotiation.

Consideration was also given to the problems arising out of the emergence of new states in Asia and Africa, States which are as sensitive about their national independence as they are insistent on greater human welfare for their people. In this connection there was an exchange of view as to the desirability of continuing international economic assistance to materially under-developed countries, and especially as to the importance of removing any feeling that such assistance on the part of Western countries had any ulterior motive or was inspired by any other spirit than good will and understanding. On the Canadian side, we expressed the view that it might help to remove any suspicions of ulterior motives if the United Nations were brought more into the picture than it had been, at least from the point of view of using the organization as a clearing house for plans and policies and information in regard to international assistance schemes. We felt that this had been done with good results in the annual meetings of the ministerial committee of the Colombo Plan, and that possibly this practice could be usefully extended to the wider field of the United Nations, so that it would become clear to the whole world community what various countries were doing in this matter and why they were doing it.

Importance of Trade Balance

In our bilateral talks, I emphasized once again to the President the importance of better-balanced trade between our two countries. I referred to the existing unfavourable balance in our visible trade, and I mentioned that the compensation or correction of this imbalance by capital movements occasionally was the cause of some concern in this country lest the control of our economic development, which should remain in Canadian hands, might be prejudiced thereby.

I also suggested to the President that the time seemed to have come when problems regarding the use of water power on rivers crossing the international boundary might well be studied at a conference between representatives of the two governments. Here I might perhaps extend this a little to answer a question of which notice was telephoned to my office by the hon. member for Kamloops (Mr. Fulton). There was no discussion of the problem, but merely the suggestion that it would probably be desirable at this time to have it studied by a joint conference representing the two governments, to try to get at something which would make for the possibility of expeditious use of these water powers to the best possible advantage of the people who might derive advantage from their use. It was left at that, with the understanding that the subject would be further pursued in discussions between our Department of External Affairs and the Secretary of State of the United States.

Needless to say, the President expressed a very warm feeling for this country and gratification at the way in which relations between our two peoples were based on mutual respect and friendship and frank statement of diverging views, when there were diverging views. He took advantage of the opportunity to