

laneous commodities -- declined in value, and all others recorded moderate gains. The iron and steel group established a new record and accounted for some two-fifths of the total value of imports. The group increase was about 3 per cent compared to 50 per cent in the same period of 1956. Non-farm machinery, as usual the leading import, showed the sharpest value gain of individual commodities. There was also a marked advance for pipes, tubes and fittings, while internal combustion engines were the only leading iron and steel item that rose at a higher rate than in the previous year. But passenger cars dropped by one-third to record the largest value drop of all imports. For the remaining commodities, there were substantial gains for crude petroleum, sugar and bauxite and alumina, while sizable declines took place in fuel oils, certain chemicals and refrigerators and freezers.

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NEW AID TO REFUGEES

The Secretary of State for External Affairs has announced the Government's intention to include in supplementary estimates a contribution of \$1,500,000 worth of Canadian flour to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA). This contribution, which represents approximately 20,000 tons of flour, or roughly 1,000,000 bushels of wheat, is in addition to the regular \$500,000 cash contribution to UNRWA already proposed for 1958.

The Canadian donation of flour is being made in response to a special United Nations appeal for increased contributions to meet the desperate financial crisis which is faced by UNRWA, a body which has the responsibility for caring for 930,000 Palestine refugees in Jordan, Lebanon, Syria and the Gaza Strip. UNRWA is sustained entirely by voluntary contributions from UN Member States; despite generous assistance from a number of countries, notably the United States and United Kingdom, the Agency is already so short of funds that it has had to cut some of its relief services, already at subsistence level, and will have to eliminate its rehabilitation programme altogether if more support is not forthcoming.

The Canadian Government hopes that its special contribution will go some way towards enabling this United Nations Agency to carry on without serious reduction the vital humanitarian work it is performing, and that the appeal of the United Nations Secretary-General will meet with widespread response.

REPLY TO MR. BULGANIN

(Continued from P. 2)

- GOOD NEIGHBOURLINESS -

"With your final assertion, Mr. Chairman, - that neighbours should live in a spirit of good neighbourliness - there can of course, be no disagreement. We have been living in a state of warm friendship with our great neighbour to the south for generations and we would hope to develop similar friendly relations with our neighbour to the north. As is well known to you, the exchange of visits and information between Canada and the U.S.S.R. over the past several years has increased considerably. Our countries have explored a wide range of exchanges in the technical, scientific, cultural and commercial fields and a number of these have been implemented. We welcomed the recent visit of a trade group from the U.S.S.R. We hope that there can be an expansion of the exchange of goods between our two countries in keeping with the spirit of the trade agreement which was signed in 1956. In due course Canadian businessmen may decide to pay a visit to the U.S.S.R. in order to explore further the possibilities of trade between our countries. I can assure you that the Canadian Government would be willing to be associated with such an undertaking. We were pleased at the goodwill that was engendered by the visit of the Russian hockey team which toured Canada this winter and we have been happy to learn that performances by Canadian artists in the U.S.S.R. have earned widespread acclaim. We shall certainly continue to give close attention to the development of good relations in these various fields. We would welcome a sign of willingness on the part of the Soviet authorities to permit freedom of movement for those persons who wish to leave the U.S.S.R. and join relatives in Canada as well as for any persons in the U.S.S.R. who hold Canadian citizenship.

"In conclusion, Mr. Chairman, I am sure that the people of the Soviet Union share in their hearts the aspirations of the Canadian people in wanting to live in peace and security and in desiring to be free to pursue their individual and national development, unhampered by the burden of armaments and untroubled by suspicions and fears. May I urge that we all work towards the achievement of a state of affairs in which these aspirations can be realized.

"Since giving consideration to your letter I have received your further letter of January 8, 1958 which was handed to me by your Ambassador on January 10; it also will be studied carefully and replied to in due course."