

ideology; it has become a very concrete problem for each one of us. We, in Canada, have an economy based upon the principle of multi-lateral trade and multilateral currency conversion. We buy from the United States commodities to the value of hundreds of millions of dollars more than we sell in that market and unless we can use the surpluses from our sales to other countries to pay for our United States purchases, we will have to cease making these purchases. We are, therefore, vitally concerned in the prompt restoration of European economies and in the removal of those troublesome threats to peace and stability which block the path to such restoration, and it was not merely words I was speaking when I said to the General Assembly the other day on behalf of the Canadian Delegation:

"The fact remains, however, that these problems must be solved and that procedures and practices which obstruct such solutions must be changed. This can be done by the voluntary abandonment of these practices; by agreed conventions or understandings which will regulate them; or, if necessary, by amendments to the Charter. We must hope that no member of the Security Council will flout clearly expressed world opinion by obstinately preventing change and thus become responsible for prejudicing, and possibly destroying, the Organization which is now man's greatest hope for the future.

Nations, in their search for peace and cooperation will not and cannot accept indefinitely and unaltered a Council which was set up to ensure their security, and which, so many feel, has become frozen in futility, and divided by dissension. If forced, they may seek greater safety in an association of democratic and peace-loving states willing to accept more specific international obligations in return for greater national security. Such associations, if consistent with the principles and purposes of the Charter, can be formed within the United Nations. It is to be hoped that such a development will not be necessary. If it is unnecessary it will be undesirable. If, however, it is made necessary, it will take place. Let us not forget that the provisions of the Charter are a floor under, rather than a ceiling over, the responsibilities of member states. If some prefer to go even below that floor, others need not be prevented from moving upwards."

ONE WORLD ORGANIZATION

Since then, we have been elected to membership on the Security Council. Our conduct there will be along the lines of the above cited statement. We will go to the most extreme limits to make the United Nations work as a universal one world organization, and I still hope we can do it. We are the majority in numbers, we possess the greatest production capacity, we possess the strongest armaments and we have on our side the freedoms that seem

so indispensable to the true nature of God made men. We are willing to devote all that to the welfare and uplifting of all men. But if theory crazed totalitarian groups persist in their policies of frustration and futility we will not, for very much longer, allow them to prevent us from using our obvious advantages to improve the conditions of those who do wish to cooperate with us and thereby overcome the difficulties we ourselves are experiencing from the present disruption in the normal flow of trade and the normal exchanges of specialized services between nations and between their respective peoples.

To overcome those difficulties, Governments may have to resort to some measures of regimentation and direction of the economies of their peoples and if and when that is done the efficiency and real helpfulness of those measures will depend upon the manner in which they appeal to you and to the other informed members of our Canadian public.

You may be assured this whole problem is being given and will continue to be given the most careful consideration by the government and by those from whom it takes expert advice in that regard. We are not going to jump at hasty conclusions, but we are not going to stand idly by and allow situations to develop to the point where they would be apt to be irreparable.

We will count upon your whole hearted cooperation and I am sure that if our policies are wisely conceived and put forward in a truly constructive way, we will all be able to rise above considerations of ordinary partisan politics and push them forward with the same patriotic fervor and unselfish unanimity that characterized our national efforts during the strenuous days of the shooting war. Those days are over but we still have with us the profound dislocations which they brought about and those dislocations have got to be dealt with in the same unselfish spirit that gave us victory in the shooting war. It can be done. Let's, each one of us, make it our business individually and collectively, to see that it is done.

CANADA'S FOREIGN TRADE: Foreign trade of Canada in August was valued at \$429,400,000, a decrease of eight per cent from the July total of \$466,400,000, but an increase of five per cent over August last year when the figure was \$409,200,000, according to the Dominion Bureau of Statistics. During the first eight months of this year the value aggregated \$3,497,800,000 compared with \$2,715,900,000 in the similar period of last year, an increase of 28.7 per cent.

Over the eight months' period of 1947, Canada's adverse balance of trade with the United States totalled \$644.5 million, against an adverse balance of \$294.4 with the U. S. for the corresponding period of 1946. With the U. K., Canada had a favourable balance of \$372.1 million for the eight months of 1947

against a favourable balance of \$231.7 for the corresponding period of 1946.

GERSON GETS 4 YEARS: Harold Samuel Gerson, of Montreal, former key man in the Munitions and Supply Department, was convicted in Ottawa last night by an Ontario Supreme Court jury in his second trial on a charge of conspiracy to supply confidential information to Russia, and was sentenced to four years in prison.

It was Gerson's second trial. In the first on the same charge he was sentenced to five years but the Ontario Court of Appeal quashed the conviction on the ground that the indictment had been altered after Gerson's appearance in court.

NEWFOUNDLAND DISCUSSIONS

SUMMARY OF PROCEEDINGS ISSUED: The Department of External Affairs released today a Summary of Proceedings outlining the discussions between delegates from the National Convention of Newfoundland and representatives of the Government of Canada which took place in Ottawa from June 25th to September 29th. The report, which runs to some 350 pages, was released simultaneously in Ottawa and St. John's, where it was tabled this afternoon in the National Convention of Newfoundland.

The Summary of Proceedings, which was agreed to at the final meeting of the conference, is documented with fifteen appendices which contain information concerning the factors which would have to be taken into consideration in formulating a basis for federal union of Canada and Newfoundland. With respect to the delegation's desire "to ascertain from the government of Canada what fair and equitable basis may exist for federal union" of the two countries, the report states that "the Committee of the Cabinet who had had the opportunity of discussing these matters with the Newfoundland delegation would bring the information arising

out of the conversations and their conclusions thereon to the attention of the Cabinet promptly and that the reply of the Canadian Government would be forwarded to His Excellency the Governor of Newfoundland, for transmission to the National Convention, as expeditiously as circumstances would permit."

The documents contained in the Summary of Proceedings issued today include an outline of the constitution and government of Canada and the Canadian federal system; a statement of the Newfoundland services which, in the event of union with Canada, would appear to fall within the federal sphere; submissions of sub-committees on the public debt of Newfoundland, the financial implications of union, transportation, veterans' benefits, unemployment insurance, maritime freight rates, Indians and Eskimau, housing and fisheries; and answers to a large number of questions asked by the Newfoundland delegation with respect to such matters as marriage and divorce, education, jurisdiction over public lands, roads, defence, harbours, Gander airport, oleo-margarine and the status of Labrador. The report also contains a list of the publications, covering most of the activities of the federal government, with which the Newfoundland delegation was supplied during their visit.

It had originally been hoped that an answer to the Newfoundland delegation's question could be given at the conclusion of the discussions. However, the situation was altered by the loss which the Canadian Cabinet and the Cabinet Committee which met with the Newfoundland delegation suffered in the recent death of the Honourable H. F. G. Bridges, Minister of Fisheries. The Canadian Government, therefore, came to the conclusion that in a question of such great importance to the Maritime Provinces and to the whole of Canada as federal union of Canada and Newfoundland, it was desirable that there should be a full Cabinet including an elected representative from New Brunswick to decide what reply should be made to the National Convention of Newfoundland.